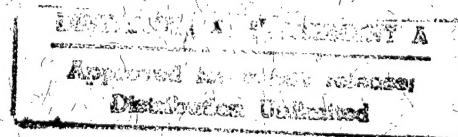


Foundation FOR U M

The U.S. Air Force -- Today and Tomorrow

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AFA National Symposium

THE U.S. AIR FORCE: TODAY AND TOMORROW

October 28, 1994

Contents

R. E. Smith

President, Air Force Association

"Welcome" 1

General Ronald R. Fogleman

Chief of Staff, USAF

"Directions" 3

Question & Answer Session .. 11

General John G. Lorber

Commander, PACAF

"PACAF Airpower: America's

First Response

Today and Tomorrow" 15

Question & Answer Session .. 21

General Joseph W. Ashy

Commander in Chief

U.S. Space Command

"Space: Some Perspectives

from the New Guy" 23

Question & Answer Session .. 27

The Honorable Sheila E. Widnall

Secretary of the Air Force

"Roles & Missions

The High Ground" 29

Lt. Gen. Stephen B. Croker

Commander, 8th Air Force

"Bombers: The Good News" .. 33

Question & Answer Session .. 41

The Honorable Clark G. Fiester

Assistant Secretary of the Air Force

Acquisition

"The Air Force Tomorrow" ... 43

Question & Answer Session .. 49

Moderators:

Monroe W. Hatch Jr.

Executive Director

AFA/AEF

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Research, AFA

Linda Swan

Project Coordinator, AEF

Darrell Hayes

Editor

Edward Walker

Layout

The Aerospace Education Foundation, the non-profit affiliate of the Air Force Association, was established in 1956 to formulate and administer the Association's educational outreach programs. Supported through tax-deductible contributions (all donations are used solely for programs and scholarships), the Foundation sponsors scholarships, technical symposia, and contests to promote aerospace education and help meet the need for scientific and technological expertise. The Aerospace Education Foundation is a tax-exempt 501(c)(3) corporation. Tax identification #52-6043929.

About AFA and AEF...

Air Force Association

The Air Force Association (AFA) is an independent veterans' organization whose objective is to promote greater understanding of aerospace and national defense issues. Among the ways AFA disseminates information are publication of AIR FORCE Magazine, sponsorship of a series of national symposia, and through educational outreach programs of its affiliate, the Aerospace Education Foundation. AFA is a grass-roots organization. Total membership is nearly 200,000 of whom more than 38,000 are Life Members. There are 328 AFA chapters in the United States and 23 overseas. The Association has 226 Industrial Associates, and its chapters have established ties locally with more than 2,400 businesses in the Community Partner program. The Air Force Association was incorporated in the District of Columbia on February 6, 1946.

The Aerospace Education Foundation

On May 1, 1956, the Air Force Association established the Aerospace Education Foundation (AEF). As a nonprofit organization, the Foundation formulates and administers AFA's educational outreach programs. Supported through tax-deductible contributions, AEF educates AFA members and the public about the critical role aerospace development plays in the contemporary world. In its first year, AEF presented three awards to two civilians and an officer of the Air Research and Development Command by General Doolittle. In 1957, the first AEF scholarships were established for children of deceased Air Force test pilots. By 1958, AEF sponsored its first national symposium, "The Space Age in Perspective." The history of the Aerospace Education Foundation is a dynamic story of a foundation that identified the needs of the Air Force and the broader needs of the nation's aerospace community, and acted to meet those needs.

Aerospace Education...leading America into the 21st Century

- Provide aerospace education opportunities to America's youth
 - Appreciate role of aviation and space to our future
 - Develop technical literacy to understand aerospace issues
 - Develop educational background required to pursue aerospace careers
 - Award scholarships promoting aerospace heritage and science and engineering education
- Support, assist and strengthen the aerospace education programs operated by AFA Chapters
- Communicate to the American people about the importance of a strong aerospace base to our future economic health and national security
 - Sponsor symposia, roundtables, workshops, and other programs to promote aerospace education and foster the exchange of scientific, technical and national security information
- Support the Air Force's educational needs
- Recognize outstanding contributions in aerospace education
- Receive gifts and grants and disburse them to accomplish the AEF educational mission

R. E. Smith
President, AFA

1

AFA National Symposium: THE AIR FORCE - TODAY AND TOMORROW

GENERAL HATCH: *Good morning ladies and gentlemen and welcome to our Air Force Association National Symposium in Los Angeles. I'm Monroe Hatch, Executive Director of the Air Force Association and the Aerospace Education Foundation.*

We've got a great line up of speakers for you today and an excellent charity ball scheduled for this evening.

It is my pleasure to introduce you to AFA's president, who was elected at our annual convention this September, a former Air Force fighter pilot, who holds two Silver Stars — from Columbus, Mississippi, Gene Smith.

MR. R. E. SMITH: Thank you very much Monroe, it is a pleasure for me to be here with you in sunny California. General Fogleman, General Lorber, General Ashy, Lieutenant General Croker and our other distinguished guests, let me take this opportunity to welcome you to this symposium.

Southern California is very special to me for an important reason. About 24 years ago, this was the first free soil that I stepped on after six years of captivity. It is a special place for both me and my wife who met me at Riverside when I came back from North Vietnam.

I am also pleased to be here today as your new president of the Air Force Association. It is the first time that I've had the opportunity to be at this particular event, and let me welcome you to this symposium. It is great to see you here.

To say that 1994 has been a busy year for our Armed Forces is an understatement. It certainly has been busy for the U.S. Air Force. At this moment, we have people deployed worldwide, participating in actions in Haiti and Bosnia, and lately we've increased our force in the Persian Gulf. We're maintaining

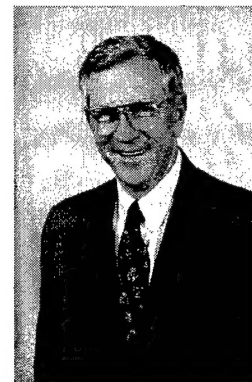
vigilance in Korea, and that becomes very special to me because, as of Wednesday, I found out that the second best fighter pilot in the world, my son Jeff, volunteered for Korea and will be going to Osan [AB, Korea] to fly F-16s. So Rae and I will be watching that area with a great deal of interest.

The Air Force is absolutely doing a superb job. They're accomplishing these demanding tasks around the world at the same time we're drawing down our forces and reducing our force structure at an unprecedented rate. I believe most of you in this room would agree that the ability of our military forces to fight and win two nearly simultaneous regional conflicts depends critically on air combat forces.

The Air Force Association, as have many others, has questioned whether the military is capable of meeting this strategy with today's forces. There are no easy answers. Now, the fundamental roles and missions of the Armed Forces are being examined. They should be. I'm sure General Fogleman and his staff will continue to do that.

A new round of base closures are scheduled for this year, and it is probably going to be the biggest one yet. So Air Force leaders face many challenges as they lay out plans for the *Air Force of Today and Tomorrow*. We look for them to provide insight into these critical issues and those that we face in the future. AFA is proud to be a catalyst in this very complicated, but so very important, equation, by providing this national platform for our leaders to address these issues.

This symposium will allow you not only to listen to their perspectives, but to offer your own comments as well. Our speakers will hopefully listen and consider these important issues as they devise a strategy for the future. In the question and answer periods that we



2 **THE AIR FORCE:
TODAY AND
TOMORROW**

will have, let them know what is on your mind.

So, again, thank you very much for coming, and I look forward to being with you all day.

GENERAL HATCH: *Thank you, Gene. It is really an honor and a privilege for the Air Force Association to provide the platform to our new Chief of Staff for his first major public address. He has been the Chief of Staff of the U.S. Air Force for 48 hours. He has been on a very tight schedule for the last 7 or 8 days, and we are proud to have him here today to keynote this symposium. Ladies and gentlemen, the Chief of Staff of the greatest air force in the world, General Ronald R. Fogleman.*

General Ronald R. Fogleman
Chief of Staff, USAF

3

Directions

Thank you very much for that kind round of applause and thank you General Hatch for the introduction.

I remember when General Hatch was the Vice Chief of Staff and I was chairman of the Air Staff Board. He was always very patient with me. When I briefed our programming efforts, he treated me with great kindness and understanding, and I hope he and you also will do that today.

The Air Force has been very good to me and I can honestly tell you that Miss Jane and I are very honored and excited about having the opportunity to represent the whole Air Force. We look forward to the privilege of serving the men and women of our Air Force.

I've been looking forward to coming to Los Angeles and Southern California. In addition to being a center of aerospace industry, this is an area that is very well known for many memorable events: earthquakes, wild fires and now my maiden address as Chief of Staff. I hope my remarks will be a little remarkable, but not a major disaster. At least I'm in the right area if it is. I'm willing to accept the risk.

I want to take this opportunity to share with the folks in the AFA and industry and the folks wearing the Air Force uniform here today what to expect from me; where I think the Air Force is headed; and I tell you right up front as I begin my tour as the Chief, I'm committed, first and foremost, to trying to take care of our people by providing some stability. I'll talk more about that.

The second major theme you're going to hear about is building a team within a team - an Air Force team that draws on all the talents of all the disciplines that go into making this a great fighting force. Then, about taking that team to the joint fight and being part of a joint team.

I mentioned taking care of people. I'm going to address another issue called quality of life which isn't necessarily the same as taking care of people. It's a subject that the Secretary [Honorable Sheila E. Widnall] and I are very much interested in.

Finally, in the coming weeks and months, I'm going to talk about leadership and how important it is, and how unimportant it is that you wear stars or have "commander" in your job description. That is what a quality Air Force is all about. So, I'd like to touch on these subjects.

First of all, there's been speculation that I am poised to slam on the breaks and take the Air Force in a whole new direction. I must tell you that's simply not the case. As I look at the Air Force, I think we are on course. True, there are areas that I believe need attention, but overall, we're in good health and we have a clear vision of where we're headed.

We've recently been through some pretty turbulent times. We had a number of changes thrust upon us, and quite frankly, we've generated a great amount of internal change.

I want to provide some stability. I want to hit hard on the idea that we are a team within a team. We are going to pursue the highest quality of life for our people that we can possibly do, and we want to encourage and grow effective leadership because that is what a quality Air Force is about.

The external change, of course, has generally come as a result of the end of the Cold War. Since the mid-1980s when General Hatch and I were operating in the programming and budgeting business, the Air Force



4 THE AIR FORCE: TODAY AND TOMORROW

budget declined about half, and we cut roughly 50 percent of our combat aircraft. On the other hand, there are other parts of the Air Force that we haven't cut much at all and probably won't, and we have to pay attention to those parts of the Air Force. Joe Ashy's area [AFSPC] is growing. John Lorber's [PACAF] area of the world hasn't changed much during this period of time because it is based on a real threat. Where I just came from, the Air Mobility Command, tanker and airlift airplanes are in great demand because that is what the nation needs. It's part of aerospace power -- the nonlethal dimension, if you will.

I don't see a need for radical changes. We're going to make some adjustments, but . . . they are minor, more like putting finishing touches on a report, or trimming an aircraft in flight rather than yanking and banking in a tight turn.

In response to these external changes, we've reshaped the Air Force. In fact, under General Tony McPeak's leadership, we re-engineered our organization; we initiated a quality movement; and we reformed our training practices. Butch Viccellio [General Henry Viccellio, Jr.] has done a great job in taking the concept and building it into reality with our new Air Education and Training Command.

We've defined a mission and a vision statement that guides us, and we've instituted many other changes and at the same time not lost sight of our heritage and where we're going.

General McPeak has ensured that our organization will fit into the post-Cold War environment. We owe him a debt of gratitude for that.

To the extent that change is ever done or over, I really think that a lot of the change that we have been facing is now behind us. I sincerely believe much of the change is behind us as a result of the efforts of senior people in the Administration, and again, as a result of my discussions with bipartisan members of Congress. In the hearings and confirmation process that I've gone through in the

last couple years as CINCTRANS [Commander-in-Chief, U.S. Transportation Command], there was a consensus that while nobody wants to say we've cut too much too fast, nobody is really interested in cutting much more.

What is true of defense spending is analogous to what we need to do to the Air Force relative to some stability. We've made a lot of changes. We need to let some of those sort out and then move forward.

Our task is to build on the foundation that is out there and provide this stability for the Air Force. I don't see a need for radical changes. We're going to make some adjustments, but in the main, folks are going to find that they are minor, more like putting finishing touches on a report, or trimming an aircraft in flight rather than yanking and banking in a tight turn.

For lack of a better term, we have to "consolidate our gains." The Air Force is on course. We're in good shape, and we're ready for what lies ahead. We don't have to look very far for our next challenge. It seems as though the phone rings every month with a new operation that requires both a knowledge of history and geography to understand what is about to unfold.

These continuing challenges bring me to my second point, the idea that the Air Force is a team within a team. The first team I'm talking about is our Air Force team. It is a mosaic, and we call it a Total Force. It is a mosaic of civilians, guardsmen, reservists, active duty folks and our families. On my watch, I would like Total Force to include another element -- something I learned in the transportation business -- our civilian, aerospace industry. We are on the verge, of an era in which we can set new relations in this area. With the thrust of Dr. Perry [Honorable William J. Perry, Secretary of Defense] and the Administration on acquisition reform, I would like to see us reach out and build a new kind of trust and try to get out of micromanagement in the acquisition business. We are going to have some latitude to do that, and we have to show the trust is well placed.

This Total Force team of ours is busy around the world. For many, the current peacetime tasking approaches what is ex-

pected in wartime. You are very familiar with our current job list. Gene [R.E. Smith, AFA President] ran through some of it here -- patrolling the skies over Iraq, keeping the peace in Korea, delivering humanitarian aid, providing air support in Bosnia, supporting our operations in Haiti, cooperating in counterdrug activities in South America and a variety of other activities. These are the activities that we see in the paper and on the line.

But, we also have this Total Force team engaged in the laboratories in places such as the Space and Missile Division. As we look to the future of our Air Force, the work they are doing is every bit as important as the work that is being done by our troops out there on the line. It is a different kind of commitment; it is a different kind of service, but it's all part of this team I'm talking about.

Any one of these activities that we see in the press is a significant event. Combined, they are truly an unprecedented level of activity for peacetime. As proud as I am of what they are doing, I'm most impressed by the way they are doing it. The whole Air Force team is involved. As I stand here speaking to you, we have 15,000 airmen -- active duty, Guard and Reserve -- deployed worldwide. That is more people than we have in uniform at Scott [AFB, Ill.] and Langley [AFB, Va.] combined -- two of our major command headquarters bases.

The list of people on the road includes our fighter guys, our bomber guys, our airlift tanker guys and an array of security forces, medical types, munitions, maintenance experts, fuel, finance, tanker airlift control elements and a whole host of others. As I said, it is a Total Force team. Of the 15,000, we have roughly a thousand guardsmen and reservists out there.

At the beginning of the operations in Haiti, the number of Guard and Reserve forces on active duty rose to 3,000 troops. I am proud to report that we met those manning requirements in the Air Force through volunteers. We didn't need the reserve call-up that had been authorized by the President. We were prepared to use it if we got into a sustained operation, but we didn't need it. These guardsmen and reservists contribute critical warfighting skills that are needed to get the mission done. I'm talking not just about the

air crew members, but I'm also talking about all those other skills I mentioned -- aerial port handlers, INTEL experts, the linguists, security police, medical specialists, and many others.

The professionalism and dedication of our Guard and Reserve forces is not only inspiring, it is truly the model for the rest of the Department of Defense.

I couldn't forget the families of all those people who are deployed either. Let me talk about the sacrifices of our families. The sacrifices they make are every bit as important and need our attention every bit as much as the attention that we give to the troops who wear the flight suits and the BDUs.

I'm also impressed with our people who are committed to making sure we do it right. We simply can't do our day-to-day chores and provide this crisis response without a total Air Force team at work. The team is clearly living up to our vision of "Building the world's most respected air and space force." So that's what I mean by the First Team, our Air Force Total Force Team.

But, the American way of war has changed. The Goldwater-Nichols Act changed it. We don't operate single ship. We don't go alone into a tactical environment because it is dumb. We can't do it in an inter-service environment either. There will be times when we may be asked to go single ship because we have the core capability that needs to be applied quickly and rapidly. There will be other times when other services get asked. But, overall it is not a good way to fight. So, around the world our Air Force men and women are working side-by-side with soldiers, sailors, marines, and coast guardsmen.

The sacrifices our families make are every bit as important and need our attention every bit as much as the attention that we give to the troops who wear the flight suits and the BDUs.

Our Air Force contribution has always been a part of a larger Joint team. We bring unique capabilities to the table. We must blend them with the core competencies of the other services. But, to be an active and enthusiastic participant in joint operations doesn't mean

THE AIR FORCE: TODAY AND TOMORROW

that we have to sell our birthright or shed our Air Force identity as experts on the application of aerospace power. It doesn't have to be mutually exclusive. We should trumpet our Air Force capabilities and our heritage just as the other services take pride in their own traditions and accomplishments. Nevertheless, we must work together to defend the nation's interests.

Today, as you look at contingency operations around the world, you see this Total Team concept at work. In Bosnia where Joe Ashy probably knows more than anybody else in the room about this effort, we have a mix of sailors, Navy and Marine aviators, and Army support troops that are providing U.S. and NATO operations. Over Iraq, Air Force crews are joined by Navy and Army aviators and our bases operate under the umbrella of Army patriot missile systems. In Haiti, we've joined over 15,000 soldiers, sailors, marines and coast guardsmen to implement our national policy. The joint team is where the action is, and our Air Force remains a key player.

One of the challenges I am going to face in trying to be joint and trying to be a good steward of our national resources, is to make tradeoffs between readiness, modernization and force structure. These are the only three pots of money that exist. They are all important. Readiness is important because we have to be ready to respond to today's crisis. Embedded within readiness are the quality of life and people programs that are so important.

Next, modernization is important because it is the future capability of the nation. It's not the future hardware of the Air Force; it's the future military capability of the nation that we must work toward.

Finally, force structure is important because it impacts on both readiness and quality of life. You must have a force structure that is commensurate with the chores that are assigned to you. It will be difficult playing the balance between these three.

I will tell you that we will remain committed to modernization. One of the programs we have going on right now includes the C-17. It allows our ground forces the ability to rapidly respond. It gives our national command authority the ability to influence events around the world at any time, either through humanitarian aid, coming to the aid of allies or, if

required, to transport troops and material that will allow us to unilaterally defend U.S. interests. It is a national program. It is not an Air Force program. The Air Force could get along in terms of its own deployment needs without a C-17. We are the stewards of bringing it on board. So, the C-17 is important for the nation, and therefore, it ought to be very important to us.

Recently, the C-17 flew its first operational mission. It flew troops and material into Saudi Arabia. You can't do anything in this arena without somebody being critical of you. I've already seen some of the press harping that this was a stunt, a show. I was the guy in charge of the transportation system for the Defense Department, and I made that decision for a very good military reason. It was based on my C-5 reliability rate, my mission-capable rate, and how I had been working the C-5s.

All along I had said if there was a mission that required a C-17, even though it is not to achieve initial operational capability until January of next year, we would use it. As it turned out, there was such a mission.

The 7th Transportation Corps is the only unit we have in the U.S. military that is capable of opening up ports and unloading prepositioned ships for the U.S. Army. When you have ships coming into a port, and you have troops being flown in on big airplanes, it is critical to get the 7th Transportation Corps there to do the port opening in a timely fashion. You cannot afford to have part of them stuck at Marone [Spain], or Rhein Main [Germany] due to a broken aircraft. They must flow in the right sequence.

It happens that a considerable amount of their equipment is outsized cargo. So, we had the requirement for a couple of sorties, and we elected to use the C-17. We flew two sorties -- fourteen hours, direct flights to Saudi Arabia. We staged crews there. They turned around, brought the airplane back, and we flew another airplane on the same kind of mission the next day.

What is modernization about? It is higher reliability, maintainability -- the things that we've been talking about. It is giving a commander assurance that when you use that piece of equipment, or when you need it, it will get the job done on time. That's why we did it.

We have another example of modernization with our F-22. We have lost the bubble sometimes when talking about what it is we bring to the table as a service in the macro sense. In my mind, the F-22 is about superiority. Now, there are a lot of people in this nation who have forgotten or never had a clue about what it means to operate without air superiority. The reason is simple -- the U.S. Air Force has ensured that American fighting men and women have had air superiority ever since Kasserine Pass in the spring of 1943. We did not have it at that battle and we got our clocks cleaned. Air superiority is something that ought to be of interest to every Army or Marine officer or enlisted troop who is out there.

The F-22 is about air superiority. It is not just defeating other people's airplanes, but also having the capability to go into other people's air space and operate with impunity where the other person may not have the money to invest in an air-breathing counter-air threat but does have the money to invest in relatively cheap and proliferating surface-to-air missile systems.

It allows you want to dominate somebody's air space and keep that person out of your air space, and I might extend that to aerospace, because Joe Ashy will remind me if I don't. It allows you to hold the high ground. That's what the F-22 is about. It will allow us to operate with impunity where others can not. Again, it is a national program and we need to remind people what it is about. It's not about another slick, fast toy for aviators to go out and convert JP4 into noise. It is about air superiority, and we should not lose the bubble on that.

If you think back to the Desert War, air superiority is what allowed Schwarzkopf [General H. Norman Schwarzkopf] to move large numbers of troops without ever having his enemy observe or be cognizant it was happening. Because the other guy did not have it, not only was he blinded, but he was sitting there in his fox holes fat, dumb and happy. That was not just because we had air-breathing superiority, it extended into space. We need to keep that in mind.

Joe Ashy's space forces are in high demand by everybody in the joint business. For example, MILSTAR provides critical commu-

nications for all of our warfighters -- to help the troops at the battalion command post or on a ship's bridge. In fact, over 70 percent of MILSTAR's capacity is dedicated to tactical communications.

In our current modernization plans, we recognize that we're a "team within a team." We're a key player in the joint force. Together, all of our services secure our nation's interest around the globe. No one service can do it alone. Thus, the Air Force must be sensitive of the impact any course of action that we take unilaterally is going to have on the joint team. This is an important consideration in our deliberations.

When someone comes to me with a requirement, I'm going to ask a couple of questions. The first question is, "What CINC [JCS commander-in-chief] has asked for this and what will it do to support that CINC?" This question is important because we are in the business to organize, train and equip air and space forces for combatant CINCs. That is why we exist. Having been a CINC, I know a CINC's job is to focus on a geographic area for a relatively short period of time into the future, maybe the next two or three years. He is in the business of providing immediate security for our nation's interest.

As a Service Chief, on the other hand, my job is to take a longer view, a broader view of requirements. So, I know when I ask this question, I won't always get the answer that there was a CINC out there asking. There won't always been a CINC who has a defined requirement. But I'm going to ask the question and it must somehow tie either to these overarching core capabilities that we provide to CINCs, or I'm not going to be interested in it.

Together, all of our services secure our nation's interest around the globe. No one service can do it alone. Thus, the Air Force must be sensitive of the impact any course of action that we take unilaterally is going to have on the joint team.

The second question I'm going to ask is, "How does this impact or interface with other

8 THE AIR FORCE: TODAY AND TOMORROW

services or our own service?" The focus here is to reinforce the Air Force commitment to being a joint warfighter. That's what I mean by building a team within a team.

The members of our Air Force team need to know that we value their hard work and their sacrifice, that we are going to take care of them, and look after their needs.

Secretary Widnall and I are going to continue our efforts to provide quality housing, medical care, on-base services, compensation and so forth.

By the way, one of the things that I must address in the not too distant future is roles and missions. I intend to do that. I do not see the roles and missions discussion being mutually exclusive with what I have said about being part of the joint team.

That brings me to the third subject, a commitment to the quality of life of our people. You are going to find Secretary Widnall and I are going to continue our efforts to provide quality housing, medical care, on-base services, compensation and so forth. More importantly, more senior people in the administration have now picked up this theme and it is going to be championed at many levels.

What I want to do is get some folks within the Air Force to focus on another dimension of quality of life -- the dimension that talks about daily inputs from commanders and supervisors. We must foster an atmosphere in which people understand the purpose of their work and the fact that we truly do empower them to improve the way we do business. We must ensure that our people are encouraged to achieve their full potential; they are recognized in performance reports and through awards and decorations. Our commitment to an improved quality of life is one important action that we can take to strengthen the Air Force team. This commitment, together with holding a steady course of recent changes in building a team within a team, will go a long way in allowing us to provide stability and meet our future challenges.

This will require that we continue to have strong and effective leadership. Leadership has always been critical to any mission accomplishment, so let me turn to that subject for a

minute.

As I said in the beginning, I don't think you have to be wearing stars on your shoulders or have "commander" in your title to be a leader. Anybody who wants to raise their hand can be a leader. I'm convinced that we have and need leaders at every level of the Air Force. In my own military experience, I've discovered that the difference between a good unit and a poor unit is fundamentally leadership -- leadership at all levels throughout the unit.

I can't offer a precise definition of leadership. In my mind, the essence of leadership is motivating people to perform at their maximum potential, to achieve goals and standards that you set.

I believe people are going to ask me, "What do you think about quality and the Quality Air Force?" This is what I am going to tell them. Quality Air Force is not about books and slogans and new lexicons. We must go through that to understand it. But, a quality Air Force is about execution.

There are many things that leaders must do. They have three distinct tasks. Any leader has to take inventory of the organization. By this I mean getting to know the people -- what they can contribute and not just merely recognizing their names. Leaders must treat people with a kind of dignity that they would like to be treated with. That is one of the things I'm going to focus on.

We must foster an atmosphere in which people understand the purpose of their work and the fact that we truly do empower them to improve the way we do business.

Not that they are not doing it now, but the second thing I am going to ask leaders to do is talk about this requirement to show courage and take responsibility. Courage is as much the moral kind of courage as it is the physical kind. It means leaders must make difficult decisions, even ones that may be unpopular. The health of the outfit depends on the leader who is willing to make decisions. Courage means that you've got to be willing to make decisions based on the information that you have available. Leaders must accept

that they won't always have all the information they would like.

I think General Hatch knows that back in the programming days, I had a philosophy that when we were deliberating in PRC, I would say "look guys, I would like to have the facts before we make this decision. But I tell you, we're going to make the decision whether we have the facts or not." Well, some of those turned out to be bad decisions, so I have become a big believer in fact-based decisions. It is not a bad way to do things. Anyway, you've got to make decisions.

The last task that I ask of leaders, and again, I'm talking about everyone in the Air Force, is be dedicated to making things happen and making sure that once something happens, it lasts. This requires that you look for better ways to do things. You must have the courage to ask people for ideas, and not feel challenged. Again, it comes back to being part of a quality Air Force, and what I think quality Air Force is all about.

As I was being raised, I was told there are four pass/fail items in the leadership business. Let me share them with you today.

The first of these is, I was told absolutely no rule through fear. I would extend that to include withholding information from the troops. Some think this is best for the troops. We have a very intelligent force out there. The more we share with those folks, the more they will give back to us. So, no rule through fear and share what you know with the troops. They can deal with things a lot better.

The second rule is one that I've broken on occasion -- no inappropriate displays of anger, or don't display your anger in public. Of course, this has a pretty simple rationale. If you can't control yourself, how can I expect you to control a big organization? The same person who taught this to me said, "Ron, that doesn't mean you can't get even." So I thought that one through a little bit, too.

The third thing that all leaders ought to have is the core of what we do -- we cannot tolerate breaches of integrity. Lack of integrity in our business is a show stopper. Our commanders, our leaders out there, get paid to know the good, the bad and the ugly. We gain nothing by hiding bad news. We must keep senior leaders informed and hold people

accountable. If we're going to be effective in today's Air Force, we must depend on one another. Nothing destroys effectiveness any faster than a lack of integrity or a lack of confidence in one another. I will, on occasion, talk about the profession of arms. I won't do it today. But the lack of integrity undermines that whole sense of service, service above self.

The last thing, the fourth rule, is that we will not tolerate religious, ethnic, sexual or racial harassment. Period. There are several reasons for this. One, it is the right thing to do. Two, it is the law of the land. But, that is not good enough in itself. The third is more fundamental. We cannot expect people to achieve their maximum potential in an environment where harassment or prejudice exists. In the environment where we are reducing resources, to include people, there must be an environment where all can achieve their full potential.

That is a quick cut on leadership -- more than I really wanted to talk about. But, leadership is important because I am convinced that it is going to be a key ingredient. That's why I am excited about the guys and gals out there who are in senior leadership, and some of them are sitting in the room here today. I am excited about the cast of characters that I am going to get to work with.

Miss Jane and I passed a threshold several years ago where it is not the job that counts anymore in terms of why we stay around. It is truly the people that we associate with. This is a great way of life. Some of you in the audience made that so in the past. Some of you are helping us build it today, and for some of you, it is in your future. But, it is those people-to-people relations that makes it all worthwhile, and it is what makes things happen.

As I was being raised . . . I was told absolutely no rule through fear. I would extend that to include withholding information from the troops.

In summary, I want to provide some stability. I want to hit hard on the idea that we are a team within a team. We are going to pursue the highest quality of life for our people that we can possibly do and we want to encourage and grow effective leadership because

10 **THE AIR FORCE:
TODAY AND
TOMORROW**

that is what a quality Air Force is about.

I appreciate the chance to share these thoughts with you. You've always been great supporters of the Air Force team. I look forward to answering your questions. General Hatch always had tough questions for me when I went to the Council. So, General Hatch, I will turn it over to you for questions. Thank you very much.

Question and Answer Session

GENERAL HATCH: *He obviously did very well with the questions for the first 30 years. General Fogleman, let me take you back to your previous duties at AMC. You spoke about the C-17 and the importance of the aircraft. Here in Los Angeles, it is an important subject. The coming year has some key test points for the aircraft and further operational tests. What is your perspective on how this will unfold over the course of 1995?*

GENERAL FOGLEMAN: First of all, I'd like to compliment the Association on the latest edition of your magazine, and I thought you handled the subject very well.

There will be a critical decision in November of 1995 on the future of strategic lift. There are two ingredients that go into that decision. One is on dedicated organic, military-specific lift, as represented by the C-17. Then there is the potential to augment that organic lift with non-developmental airlift aircraft. There are two parallel efforts going on. One, we are in the process of fielding the C-17. We now have ten of them down at Charleston [AFB, S.C.]. There have been great strides made in the management of that program in the last year. I have tried very hard not to get captured as one in a long list of people who has stood before public forums and said we have turned the corner in the C-17 program. I have tried to avoid doing that. On the other hand, I think that we have not given enough public recognition to what has happened as a result of some changes in management. I will name two people in public, Don Kozlowski and Brigadier General Ron Kadish. Don is the McDonnell-Douglas program manager and Ron Kadish is the Air Force organizer.

Since that team was put together about a year ago, we have gone from late deliveries

of airplanes to on-time deliveries of the highest quality of airplanes that we have ever seen; to early deliveries of a couple of weeks; and the last airplane was delivered a month early. This is the highest quality airplane that we have had from a quality assurance perspective. So we've had a turnaround in that area. We will declare initial operational capability in January, or Skip Rutherford [General Robert L. Rutherford] will, if he deems that it is time. The key ingredient will be "do we have 12 like-configured airplanes at Charleston?" That means that we have to have the software and any lingering modifications completed. Every indication is that it will be done. Will the airplane be ready to perform with spares and support in the system? We are going to run a mini-test at the end of this month or the beginning of December where we will have the opportunity to see how well we can support the airplane. Once that is complete, then we are going to operate the airplane through the spring, do another mini-test with a higher op-tempo. Then in the summer, we are going to have the reliability, maintainability and availability [RM&A] test. That is the most stringent test that any lift airplane has ever been put through. That will occur in a late June, early July time frame.

The data will be analyzed and then the combined results of six months of operational activity, the RM&A and all the other decision factors will go to OSD for a decision on how many C-17s we are going to buy. Based on the number of C-17s we buy, and based on the total requirement for lift that comes out of the updated mobility requirements study, we will determine what type and how many non-developmental aircraft we will buy. In the meantime, the people in the acquisition community are in the business of putting RFPs [Request for Proposals] on the streets so that

12 **THE AIR FORCE:
TODAY AND
TOMORROW**

we will have all those proposals in by the end of next summer. So, when that decision is made, we can very quickly move out with our airlift modernization plan. This is a long answer to a short question.

GENERAL HATCH: *Thank you, General Fogleman. In your remarks you mentioned 15,000 Air Force members deployed to the trouble spots around the world. Are we reaching our limits in time away from home and stress on the people who are carrying out these missions?*

GENERAL FOGLEMAN: To a certain degree, we have become captured by our own rhetoric about how severely we are tasked. In specific weapons systems, and in some critical skill areas, we are clearly overtasked. In the Air Force, these systems include the AWACS, the HC-130 refueling airplanes, and some of the rescue aircraft. Recently, I have been down to ACC [Air Combat Command] and I sat down with Mike Loh [General John M. Loh] to look at his numbers on his people, and see what is a safe zone. The four-stars have agreed to try not to have our people deployed more than 120 days a year.

There are very few weapons systems where we have people or specialties that are deployed more than 120 days a year. Where we have them, we need to fix them. Our troops are more concerned about the turbulence and what is happening in the future than they are concerned about the level of tasking. These people are part of the profession. They expect to deploy. In fact, people want to deploy when a crisis comes up. So, I have not seen the same problems that are occurring in some areas.

Now, I would also tell you that we have been through an extraordinary period. If you remember, we started with 2.1 million men and women in the military, and we've been downsizing to 1.4 million. To a certain degree, we've been living off the fat of the land for the last few years. In many cases, we would deploy people, bring them home and then just disband units -- particularly Army units in Europe. We are now beginning to hit the steady-state point and we don't know what the dynamics are going to be at that level.

I don't want to be quoted as saying, "there's not a problem with op-tempo." There is clearly a problem with op-tempo in certain areas, but not all the leading indicators point

to the problems that we've seen in the past. Our reenlistment rates and retention are not telling us that we have the troops concerned about doing their jobs. In certain weapons systems, absolutely.

GENERAL HATCH: *Thank you, Chief. The next question concerns base closure for 1995. What is your perspective for 1995 on the Air Force part of the process?*

GENERAL FOGLEMAN: I have two perspectives. First, I believe the 1995 base closure should be the last base closure activity for some time. In itself, it is having a very destabilizing effect on the troops. When there were rumors that we were just going to take a little slice in 1995 and then we'd do it again in 1997, when I went to the Hill to talk with members of the legislature about this, I said we should hunker down and do what we have to do in 1995. Get it behind us. That perspective appears to be where we are heading.

The second part of that question is: "How traumatic will 1995 be?" I don't know. There are misrepresentations in the press, from my perspective. That is not the media's fault. It is the idea that we are going to close more installations in 1995 than we've closed up to now. That is not what the OSD directive said. The OSD directive said we were going to try and close a factor of 15 percent. The objective was to close 15 percent of that net value of all DOD facilities as they exist today. As a result, the focus is on support. That starts to look at things like depots and laboratories and big ticket items. In order to get 15 percent of that net value, you don't have to close so many bases as to close very high value bases from a total infrastructure standpoint. As you know, by law, the commanders in the field and the Chief of Staff are for all intents and purposes removed from this process until the survey forms come in from the field. Even what is in those survey forms is legislated. Those are then forwarded to the working groups within the services. The working groups rank the installations by various categories, and then the list gets briefed to the Secretary of the Air Force. At that point, along with the other four-stars we can look at this and interject some military judgment.

GENERAL HATCH: *Do you have any plans to review or overhaul the Air Force promotion system?*

GENERAL FOGLEMAN: Good question. I will have my first Chief's call this afternoon with the troops over at Space and Missile Systems Center. I'm going to enunciate a public commitment so folks can hold me to it. Miss Jane and I have made a commitment to visit every wing or wing equivalent organization in the United States Air Force during the first 18 months of our tour. We are doing that because you cannot lead the Air Force from the E-ring in the Pentagon. The Air Force needs the Chief's energy out in the field, so I want to try to do that. It doesn't mean we're going to have "state visits." This afternoon, I'm going to go spend a couple of hours over there. The most important part of the two hours is talking with the troops to find out what is on their minds. I'll also get a chance to look at the facilities, but it will be superficial. After 31 years as a programmer, I have been to most of these places. There are several other items on my agenda. Yesterday, I put out a message to the field listing the things that I want to look at. These are not big changes in direction, but things that we are going to be reviewing over the next months. We will review the personnel and promotion systems. It is time for a review. The current system has been around since 1988. We seem to be the only service that is getting sued by its members or former members, so I'd like to look into that one a little deeper. In fact, I think we will be able to do that in a controlled and rational fashion.

Another issue is the operations and personnel tempo that I talked about earlier. Much of what we hear is anecdotal. We really don't have the kind of tracking tools that we ought to have in this day and age to tell us how many days of TDY people are serving overseas and stateside. We are going to build a system so we can make fact-based decisions along this line.

BRAC 95 [Base Realignment and Closure] is another concern and I've already talked to that. Another is the review of roles and missions. I'm sure that I will be expected shortly to talk about roles and missions and I intend to talk about it at three levels. First, I'll decide what I need to address on roles and missions with the media. Second, I'll address roles and missions with my fellow service chiefs, the CINCs and the JCS, OSD. Finally,

I'll talk roles and missions with the larger Air Force. I am not prepared to talk roles and missions today.

Another issue concerns the resource trades between readiness, modernization and force structure. I've also talked about that today. This issue will consume the bulk of my time when I am a resident of the E-ring -- the budgeting and programming process.

The last item, because the world awaits, is the uniform. We will not keep people in suspense very long on the uniform. In my briefcase, I have a draft message that I intend to send to the field, probably Monday, that dispels the mystery of where we are going with the uniform. Those folks who have invested in the new uniform will feel good about what we are trying to do. It is a good uniform. It looks sharp on the enlisted troops. It is a comfortable uniform that we've now had about 18 months. We've seen how different reactions to the uniform have come about, and it is time to look at it.

This is not one of these things I've been sitting on the perch wanting to jump on. There is a lot of agitation about the uniform. The message is going to have a paragraph on the end that says, "all of you empowered people who have any idea about any uniform combination, send it in quickly because I intend to hold a uniform board at the end of January or beginning of February, and it will be the last uniform board held on my watch." I am going to disband the uniform board because over my 31 years in the Air Force, I've watched us tweak this and tweak that, do this and do that. I can't think of anything that we haven't invented in one way or the other in uniforms.

The Republic is not going to rise or fall on the Air Force uniform, and I want to get it behind us and get on with the important stuff. So that's our whole approach and these are the items that we will tackle.

GENERAL HATCH: *Chief, that's a great wrap up. We thank you for being with us today, and wish you the very best in your duties.*

14 **THE AIR FORCE:
TODAY AND
TOMORROW**

General John G. Lorber
Commander, PACAF

15

Pacific Airpower

America's First Response Today and Tomorrow

GENERAL HATCH: *Our next speaker is General Lorber. Although being new to his duties in the Pacific, those of you who have read his bio know that he has served at Kunsan [Air Base, Republic of Korea], Misawa [AB, Japan], Yokota [AB, Japan] and Hickam [Air Force Base, Hawaii] in previous incarnations. He brings a great deal of background to his new duties. We are proud to have him here with the Air Force Association. General Lorber.*

GENERAL LORBER: General Hatch, thank you very much. First of all, I'm excited to be the commander of PACAF. Before I turn to Pacific issues, though, let me say a word or two about the position I just left -- vice commander of U.S. Air Forces Europe.

I couldn't be more proud of a bunch of men and women who wear the blue uniform than of those people there. USAFE is going down in size. A command that used to have eight wings is now down to 2.2 wings. Sixteen main operating bases are going down to just six. Ninety-three installations are being reduced to around 27.

At the same time, the commitments are going up. General Fogleman just spoke about PROVIDE COMFORT. We have people flying daily missions protecting the Kurds in Northern Iraq and making sure Sadaam Hussein remains at a distance. We're not doing that mission by ourselves. We're doing that with the Navy and with our coalition partners -- the British and the French. Under operations DENY FLIGHT and PROVIDE PROMISE that Joe Ashy [General Joseph W. Ashy] worked as COMAIRSOUTH and Commander of 16th Air Force, we have our people involved continuously. Through constant deployments and 24-hour manning we make sure that the belligerents can't use air power against innocent victims. These missions also

involve a coalition effort with the Dutch, Italians and French flying with us.

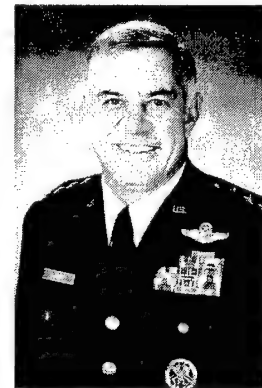
You can be very proud of our men and women in Europe. They're doing a job that shows what the Air Force can convey -- a clenched fist or an open hand. The airlift and delivery of supplies in the former Yugoslavia faces surface-to-air threats. They are delivering supplies daily, when they can't get it to some of the outlying regions of Bosnia via air-to-ground missions, they are providing air drops. I have visited them at Rhein Main [AB, Germany], and seen pallets built up with food supplies, medical supplies, and building equipment. Every once in a while you'll see a teddy bear attached to a pallet by people who have taken their own money to help the children of Bosnia -- the innocent victims. I am proud of each one of them.

But there is a lot of difference between what happens in Europe and what's happening in PACAF. I'd like to go over the differences with you and describe why our force structures in PACAF and in Europe are probably the right ones to meet the missions and contingencies that we're facing.

I left Germany two weeks ago, and I've been the commander of PACAF for about a week. However, I'm no stranger to PACAF and did a lot of homework before returning as commander. Let me give you a snapshot.

PACAF, a component of the Pacific Command, is enormous. There are 40 nations speaking 70 different languages.

PACAF, a component of the Pacific Command, is enormous. There are 40 nations speaking 70 different languages. There are 40 distinct religions. Each of the peoples of the



PACOM region are completely different. In the past, I remember one of the hardest things that I had to do was to conduct discussions with my counterparts in the Japanese Air Force. As I'm not a multilinguist, and despite their command of the English language, we always had to work through an interpreter. Discussions with the Japanese are not hour-long meetings. Most of the time, they're not even two-hour meetings but often four-hour meetings. Even on routine issues, you are not sure that what you are saying is being translated properly. I'm married to an Australian and half the time I don't understand what she is saying.

Another contrast between Europe and the PACAF region is that in Europe, for example, even though I don't speak German, I can read the road signs. When I see the word Frankfurt, I can get to Frankfurt. However, I don't recognize the sign saying how to get to Tokyo. I don't recognize the sign for Kuala Lumpur, Malaysia. I don't know how to read the sign to get to a city in Indonesia. So, along with the language problem, we've got a problem just reading the signs.

On a more serious level, mistrust permeates the Pacific area. It's always been there. People say that mistrust exists in Europe, especially in the Eastern European nations in the wake of the Cold War. But in Asia, it is a mistrust that has existed for a long time.

That mistrust is worrisome because the AOR [Area of Operations] is springloaded with hot spots and flash points. Look at Kashmir. When I went to India, I had an opportunity to visit the border and watch airfield operations near the Pakistani border. These people operate out of bases 15,000 feet high. It is an amazing operation. They conduct flight ops with MIG-29s without runway barriers. If pilots have a problem on take off, they just raise the gear to stop. They are operating there continuously, just as we do on the border in Korea. The dispute between India and Pakistan over Kashmir is one that has already erupted in open hostilities.

Perhaps you've heard of the Spratly Islands, an island group between China and the Philippines that six nations lay claim to. Why are the Spratly Islands important? They're scattered throughout some of the richest com-

mercial fishing grounds in the world, and they found oil in the region. Now the overlapping claims have already caused pitched battles.

There are leftist movements and insurgencies in the region. There are natural disasters -- typhoons, volcanos and floods. We've responded with humanitarian efforts such as into Bangladesh about three years ago.

Remember Clark Air Base? A lot of us served at Clark in the Philippines. I remember working negotiations trying to keep Clark Air Base and figuring out what it was going to cost to maintain that critical spot in the Pacific rim. Thirteenth Air Force Commander Willie Studer [Major General William A. Studer] was telling me how the negotiations were going, and they weren't going very well. At the time we were worrying about a typhoon striking the area and affecting our people. About a week later he gave me a call and said "we have a wisp of smoke coming from Mount Pinatubo." I didn't realize what he was trying to tell me. Two weeks later that wisp of smoke became a massive eruption as Mount Pinatubo exploded. The tough decisions made very early in the crisis probably saved a lot of lives at Clark Air Base. We moved everyone out of Clark in under 24 hours.

Think about those families with only their suit cases and a few boxes, moving to Subic Bay. A lot of families felt that they were going to return to Clark, but we knew they wouldn't. The biggest problem we had was pets. Everybody wanted to bring their pets and we had to work out arrangements concerning immigration and quarantine laws in Hawaii as we brought them back. It is not an easy job in the Pacific.

As I sat on that airplane flying from Germany to Hawaii, I kept thinking about these things and wondering if I should do something easy instead, like coach the LA Rams or something like that. But then, unfortunately, I looked at my coaching record at the Air Force Academy and realized I wouldn't be on the short list of candidates for that job either.

What is really impressive about the Pacific are the distances involved. From Germany to the Hawaiian Islands, I traveled seven hours. Seven hours gets me halfway to Korea from Los Angeles. It takes 19 days by ship to

travel from LA to Korea. You can see the importance of forward-deployed air forces, of air power, in the Pacific. It is vital. The distances alone make it vital.

To meet these challenges, we have a matrix of bases in PACAF. Although we've lost Clark Air Force Base, which was very critical to the rim of bases we had in the region, we compensated with a limited operation at Singapore, which I'll explain later.

We start in Alaska. Alaska is a Pacific state. In Alaska we have great capability. At Elmendorf [Air Force Base], we have F-15Cs, with air superiority, air supremacy, and we have F-15Es for long range interdiction. We have KC-135s, AWACS aircraft, and C-130s. At Kulis, the Air National Guard base, we have more C-130s, HC-130s, and we have rescue capability with the HH-60s. At Eielson AFB, we have the perfect close air support grouping with block 40 F-16s -- the LANTIRN [navigation/attack system] airplanes -- and we also have OA-10s and A-10s.

At Misawa Air Base, Japan, we have the F-16 block 50s -- one squadron is already converted. Another squadron will be converting in 1995. At Yokota Air Base, we have an air hub for operations in case we have to support a Korean conflict. Yokota is also home for C-130s and C-9s. At Kadena [AB, Okinawa] we have three squadrons of F-15Cs, AWACS, a big squadron of tankers, 15 KC-135Rs. We also have special forces there with MH-130s and HC-130s. At Osan [AB], Korea, we have the remaining portion of the special forces with their MH-53s. We also have a squadron of F-16s and a squadron of A-10s. Kunsan [AB, Korea] has two squadrons of block 30 F-16s.

As I mentioned, we have a presence in Singapore. That provides us with a visible demonstration of our commitment. It is not a Clark Air Base, but we'll never have another base like that in the southern region. Singapore allows us to talk to our neighbors in that area, which is critical to our interests.

Back in Hawaii, we have a Guard unit of F-15s, C-130s and tankers. So as commander of PACAF, I live in a paradise and command this great array of talent. Forty-three thousand of our best men and women are there defending your interests in the Pacific. We have great commanders out there. Larry Boese

[Lt. Gen. Lawrence E. Boese] at 11th Air Force in Alaska, Dick Myers [Lt. Gen. Richard B. Myers] at Yokota with 5th Air Force, Ron Iverson [Lt. Gen. Ronald W. Iverson] at 7th Air Force at Osan, and Dick Swope [Lt. Gen. Richard T. Swope] down at Guam with 13th Air Force.

As I've mentioned, PACAF is not new to me. I've had five assignments in PACAF. I've been to Thailand, one tour in Korea and two tours in Japan. I understand the region somewhat. It is a region with a very proud history, especially for the U.S. Air Force. On August 3rd, we celebrated our 50th anniversary and we had a lot of the former commanders celebrate with us to see what has developed. Three and a half million people have served in PACAF over the last 50 years, and 10,000 of them left their lives in PACAF. Thanks to the men and women preceding me, PACAF has a great reputation in the Pacific Rim. We've enjoyed relative security in large part due to that reputation.

That is what makes us different from Europe. Europe has NATO. In PACAF, we don't have a security arrangement. NATO has been a great organization. It has allowed the nations of NATO, even though they are different, to join together for a combined cause -- to suppress nationalism in the greater cause of collective defense.

In PACAF, we have no such arrangement. We have APEC, the Asia-Pacific Economic Cooperation forum. In fact, it met about a year ago in Seattle, when President Clinton attended. We have ASEAN, which is an organization of southeast Asia states, including Australia, New Zealand and a few others. But that is it.

One of our jobs is to build that trust so we can start doing some combined exercises.

The rest of the effort in the Pacific is done between the United States, as the trusted agent, and the individual nations. We exercise hard with the Japanese, the Koreans, the Singaporeans, the Malaysians, the Indonesians, and the Australians, but we don't exercise together. The trust is not there. One of our jobs is to build that trust so we can start

18 **THE AIR FORCE:
TODAY AND
TOMORROW**

doing some combined exercises.

We just finished one such exercise. General Rutherford did that with a three-team exercise involving the Singaporeans, the Thais and our forces in PACAF. Last month, we did the FTX [field training exercise] and I am looking forward to the flying portion of the exercise in January.

I am going to demand readiness. We are going to demand that people can get out of the blocks in a hurry; that we can deploy and that we can be ready to fight at a moment's notice.

Why is it important that we are out there? The answer is a single word: economics. This is a fast growing economic region. Our economic growth as a nation during the last five to ten years has been stuck at about 2 or 3 percent. Let me quote some figures of economic growth in Asia: Singapore, 9.8%; Malaysia, 8.5%; Thailand, 7.9%; Indonesia, 6.7%; Taiwan, 6%; China, 13%. In fact, Coca Cola will tell you that their profits from their sales in Japan are larger than for the United States. Now they are looking at markets such as China, or Indonesia and Malaysia which are Moslem nations where alcohol is forbidden.

The United States is also a Pacific trading nation. Our trade across the Pacific is a billion dollars a day -- \$370 billion a year. My O&M budget at PACAF is a billion dollars a year. So, one day's trade across the Pacific is equal to the total budget that I have for operating my forces for the entire year, a small cost for keeping regional stability.

We talked about the individual nations and the mistrust. The end of the Cold War has not changed the mistrust that exists in the Pacific region. Nations are still building large military forces. India, with their population of 900 million, has 1.2 million under arms. They have 700 aircraft -- many are latest generation aircraft bought from the former Soviet Union, MIG-29s, SU-27s. They have 15 submarines, a thousand tanks, intermediate range missiles and possibly a nuclear capability.

Indonesia has 183 million people. That is the same number as unified Germany, France

and Spain combined. They fly the F-16. Singapore and Thailand fly the F-16. Taiwan with 21 million people, maintains a force of 360,000 and has 1.6 million in reserve. Vietnam has 73 million people, and we don't know where they are going. As you probably noticed, I haven't even mentioned Korea, China or Japan. In fact, seven of the largest militaries in the world are located in the Pacific AOR.

Air power is critical to the region. The mobility, the responsiveness, the flexibility, and the versatility of air power make it critical. For these distances, mobility allows us to be responsive. We cannot allow one of these brush fires, fanned by mistrust, to flare up into a raging forest fire. We need to be there on time, and on time means forward deployed. It is as simple as that. If you are in a hundred yard dash and you get a 50-yard headstart, which forward deployment gives you, you have a good chance of winning. If you have to come all the way from the states, it is going to be a little more difficult.

Now, I want to talk a bit about what I as a commander am going to bring to the fight and what my points of interest are. As a fighter pilot, I like to keep things very, very simple. So I put things into two baskets. One of these baskets is readiness and the other basket, as the Chief has talked about, is quality of life. Obviously, we want to keep PACAF at a high state of readiness. The needs of the region demand that we be able to respond when called upon. And, we will be called upon. Readiness is always going to be high on my radar scope. I will watch it all the time. I am going to demand readiness. We are going to demand that people can get out of the blocks in a hurry; that we can deploy and that we can be ready to fight at a moment's notice.

Quality of life has become a trite phrase, and it means different things to different people. To most people, it means recreation facilities, bowling alleys, golf courses, nice housing, etc. That's a part of quality of life, but to me the bigger part of quality of life is dignity of people. Dignity of people will loom large on my radar scope. People will know that their commanders appreciate what they are doing out there. Living in our AOR is not easy. All you have to do is go visit Eielsen in January to realize how difficult the living con-

ditions are. Last time I went up there, one of the wives of a young captain said the highlight of her day was wrapping up to go out in 50 degree below zero weather, at one in the afternoon, to get the mail in the dark.

Look at the overcrowding in Japan -- people living in very crowded conditions -- where a cup of coffee costs \$6. Look at living on Guam -- an island that is 8 miles by 30 miles long. Even living in Hawaii is difficult where the cost of living forces families to have two incomes. It is not easy, but if we take care to show we are concerned and compassionate about their living conditions, we are going to get people to perform better. The real key is to make certain they are given the chance to succeed, the chance to contribute, and that they feel they are essential members of the team. That is almost as important as where they live.

General Fogleman talked about the need to make sure that everybody is involved in the fight. I sincerely believe that. I do not think, with the downsizing, that anybody can sit on the bench not wanting to get in the game. We need full participation. I know we have people sitting on the bench right now who love to wear the uniform and who are very content to be part of the team, but are not contributors. I am going to be looking for those people. I am also going to be looking for those people who are sitting on the bench, but because of their gender, religious affiliation or some other reason are not allowed to get in the game. We all have to be participants.

I don't want to give you a bleak image that things are broken in PACAF in that respect. They aren't. People are proud to serve in PACAF. I wouldn't be going back for my sixth tour if I didn't think it was a great command. But, readiness and quality of life must always be kept in focus. We always have to keep those two blips on our radar scope.

The last thing I want to talk about, and General Fogleman also mentioned it in his remarks, is leadership. General Loh just wrote an article on leadership for the *Air Force Times*. I highly recommend it. The springboard for the article was the string of tragic accidents we've had recently. General Loh feels the accidents are symptomatic of flawed

leadership. I also feel that is true. There is something we are doing wrong that needs to be corrected; we need to put the brakes on it. Whether the flawed leadership is a result of misplaced loyalties, whether that flawed leadership is a result of not being able to make the right decisions or refusing to make the tough decisions, or a combination of both, we need to put a brake on it and fix it. Leadership is a tough job. Being a good leader is probably the most demanding thing you are ever going to do. When I was a young captain, a chief master sergeant came up to me and said, "Son," - chief master sergeants can call you son when you are a captain -- he said, "I want to tell you about leadership and what it means to be a commander." He said "Trust me, believe in me and be loyal to me."

Now there are a couple things that you need before you can look yourself in the mirror and see if you're exhibiting those traits. If you are staying out late at the club, you are probably not going to have the admiration that you desire. You have to change some of your ways to be a good leader. As General Fogleman mentioned, there are certain things that are key. Integrity is one. Compassion is key. Loyalty is key. Caring is key; and the ability to make the tough decisions.

Every once in awhile you go to a movie and hear a gem of a statement that sticks with you. In the movie "A League of Their Own," when one of the members of a women's baseball team wants to quit, she says to the coach, Tom Hanks, "it is too hard, I want to quit." Tom Hanks looked at her and said, "Hard? Of course, it's hard. It is supposed to be hard. If it were easy, everybody could do it. Hard is what makes it great." I am a firm believer that hard is what makes leadership great.

To me, the bigger part of quality of life is dignity of people.

In summary, I am excited about being your PACAF commander. I am looking forward to building up our forces; maintaining our way of life; making sure that we are deeply involved in the security and stability of the region; and making sure that we can build more trust so we can conduct more multi-lateral exercises. At the same time, I guarantee that I

20 **THE AIR FORCE:
TODAY AND
TOMORROW**

am going to keep our people out of the hot sun, out of the frigid cold and I am going to work hard so that no one is sitting on the bench. Thank you very much.

Question and Answer Session

GENERAL HATCH: *Thank you very much, John. We know you are on a short string and have places to go but we just have a few questions here for you. General Lorber, aside from cancelling Team Spirit, how does the recent U.S. agreement with North Korea affect our military posture on the Peninsula?*

GENERAL LORBER: The recent agreement is a first step. We are going in the right direction. The agreement concerns nuclear capability. That's a concern we should all have, but the immediate threat is the conventional threat. The North Koreans have an awesome force and they are poised on the border. They have over a million people under arms. They have two million or more in reserve. They have a tremendous air capability with the latest generation, fourth generation, fighters. They outnumber us in tanks and artillery. They are a closed society, so we really don't know what is going on there. The UN Commander in Korea is going to call for air power. He'll want air power early. The forces we have stationed over there are fairly modest. The forces that we can bring forward either from Korea or Japan or Alaska are fairly modest. Although they provide us with a great capability for close air support and for interdiction, we will need additional forces and we will need them in the first two or three days -- for example, F-117s and bomber forces to take out those hardened targets.

The recent agreement is a great initiative, but we need to focus our military preparation on conventional military capabilities.

GENERAL HATCH: *Thank you, John. Second question refers to General Fogleman's comment about a team within a team and our jointness. In the Pacific, you are working with the Army and the Navy and the Marines. For joint exercises, and the*

potential dual use of any bases, what is new on the horizon in Pacific?

GENERAL LORBER: We share a lot in the Pacific. And the PACOM commander right now is Admiral Mackey, whom I had the privilege to serve with when I was on the Air Staff and he was the director of the Joint Staff. I admire him immensely. He believes in jointness. We participate in many joint exercises, and we assist each other in a variety of ways. There is a lot of area to cover, as I explained, so we need to work together. We have Marines going to Singapore. We host them there, or they fly out of there when we don't have enough forces or time to get the job done.

When I talk about air power and joint use of air power, I am not only talking about air forces over there, I am also talking about our carrier force. So it is important that we stay involved in the region, whatever uniform you wear. If an Air Force presence can't be there because of some other tasking, then it is important that we have a Naval force there or a Marine force or an Army force. The point is to maintain a visible, credible U.S. presence that conveys commitment. The jointness that occurs in the Pacific is on target right now. We are going in the right direction.

GENERAL HATCH: *Finally, General Lorber, you've downsized significantly in PACAF and you've lost some training ranges. How are your training ranges in Alaska and how is that issue working out for you in the Pacific?*

GENERAL LORBER: We have great capability in Alaska. We've just put in a new instrumentation range (ACMI) which allows no-drop scoring. We have ample land space available to us in Alaska. We can go supersonic and we can perform live ordnance drop. However, Alaska is a long distance from our friends and allies in the South Pacific. It is very diffi-

22 **THE AIR FORCE:
TODAY AND
TOMORROW**

cult for some of those countries to get there. It is hard to expect the Singaporeans, for example, to fly up there three or four times a year as they used to do at Clark Air Base. It is difficult to get the Thais up there. So we are missing the combined exercises that are so important to improving interoperability. We are working toward expanding the use of Alaskan ranges, and encouraging stateside units to use our facilities. As ranges in the states become more difficult to use, as space gets consolidated, Alaska has great potential for some of our forces from the continental United States and for our allies from Europe. For example, for the British, it is just as easy to go to Alaska and work on those ranges as it is to go to Nellis [AFB, Nev.] for Red Flag. We have had participants from Great Britain in Alaska. We've also had participants from Canada. We'd like to see more of that.

GENERAL HATCH: *John, thanks very much for being with us today. We've got the right man for the job in the Pacific and we look forward to seeing more of you in the future.*

General Joseph W. Ashy
Commander in Chief
U.S. Space Command

23

Space: Some Perspectives from the New Guy

GENERAL HATCH: *From Peterson Air Force Base, Colorado, our next speaker wears three hats: CINC NORAD, CINC U.S. Space Command and Commander of Air Force Space Command. Please help me welcome General Joseph W. Ashy.*

GENERAL ASHY: Thank you General Hatch and ladies and gentlemen. Thank you for inviting me. It is an honor to be here. The title of my remarks is not meant to be flip, but as Gene pointed out, it recognizes that I've only been wearing my new hats for a little over a month. Having done whirlwind tours of most of our major subordinate organizations in NORAD and U.S. Space Command and Air Force Space Command, I am most impressed with our people and their enthusiasm, their capabilities, their aggressiveness and their attitude and I am excited about being teamed with them and the Air Force Association.

Our theme today, the "Air Force Today and Tomorrow," clearly involves the medium of space. Secretary Aldridge, [Former Air Force Secretary Edward C. Aldridge, Jr.] I know that space is not necessarily a place, so I got your message yesterday. Space enables us to provide America global reach and power and presence -- omnipresence for America. I don't have to tell this audience about its importance. I can verify this based on my recent experience in Europe and especially in the Balkan theater. Instead, today, I would briefly like to touch on just a few initial impressions.

Before I do, let me first tell you where I've been. During my first week, I had the privilege of attending a CINCs' and service chiefs conference with the SECDEF [Secretary of Defense] and Chairman [Joint Chiefs of Staff], which was most timely and informative. In NORAD, I've been to our regions

and some sectors with the exception of the Canadian region, which is scheduled for the next couple of weeks. But more importantly, I have had the opportunity to be with my Canadian colleagues on several occasions and established some very important personal and professional associations. Proof positive of the professionalism and the spirit of the air defense forces for both nations is their performance in WILLIAM TELL. I was most proud of all those young people who superbly demonstrated their competitive spirit and wonderful skill. It sent a powerful signal about our readiness, capabilities and resultant deterrence.

I've also visited Admiral Lyle Bien at Dahlgren, Va. He commands the Naval Space Command, one of our three components. It is one of three teams within a team. I had the opportunity to see them at work during the Haiti operation. As you know, our support to the geographical CINCs during contingency operations is very important. The quality with which we deliver that support from U.S. SPACECOM and our components will remain important to us and a primary focus in the days and months ahead. More on that later.

Additionally, I spent a likewise productive and interesting afternoon with General Jay Garner's folks in Colorado Springs. Colonel Paul Semmens and his Army Space Command people were also busy, and I learned a lot. Obviously, I have now spent some time with Air Force Space Command. I've visited both launch bases, 14th Air Force Headquarters [Vandenberg AFB, Calif.] and Falcon Air Force Base [Colo.]. It is also important to acknowledge visits to the 20th Air Force Headquarters and its missile units at F.E. Warren [Wyo.], Malmstrom [Mont.], Grand Forks [N.D.] and Minot [N.D.] Air Force Bases. These proud and capable people and their



outfits provide enduring and quality ballistic missile forces to Admiral Hank Chiles and his people at USSTRATCOM. I am proud of the job they continue to perform. Testimony to that is the feedback we receive from our customers at STRATCOM.

Another important node in our structure is Cheyenne Mountain [AFB, Colo.] and how it serves both NORAD and USSPACECOM with vital command, control and warning capabilities worldwide. Again, the Cheyenne Mountain complex provides vital warning capabilities to some very important customers, to include the President, the Prime Minister, STRATCOM, and all the geographic CINCs. The professionals who work there continue to take their responsibilities most seriously, and they carry them out extraordinarily well. I've tried not to do all this in a vacuum. Therefore, we've checked in with colleagues and counterparts in the administration, the Congress, and industry. As General Fogleman mentioned, this ensures that as I build up my database on the space business, I have everyone's perspective and everything is balanced.

In summary, I've been in place just a short time, but I've been out and about and I've got a good initial handle on the major issues and challenges. I should also say again how honored I am to be associated with everyone in the space community.

Now let me turn to space missions for just a moment. Before I do, I believe it important that we briefly review the space objectives promulgated this summer in the national security strategy and also recognize the objectives which Secretary Widnall listed in a recent speech.

Our main space objectives are:

- Continued freedom of access to and use of space;
- Maintaining the U.S. position as the major economic, political, military and technological power in space;
- Deterring threats to U.S. interests in space and defeating aggression if deterrence fails;
- Preventing the spread of weapons of mass destruction to space; and, enhancing global partnerships with other space-faring nations.

Secretary Widnall's space program goals are:

- Make space support reliable and routine for the warfighter. We must take the mystery out of using space systems for the soldiers, sailors and airmen out there on the front lines.
- Increase the cooperation among the civil, commercial and military space sectors.
- Develop routine, affordable space launch.

In consonance with those objectives, I believe everyone knows the missions we've been assigned: space support, enhancement, control and application. Support pertains to placing objects in space and their care and feeding while there. Enhancement covers the spectrum of support we provide our customers for warning, navigation, weather, communication, remote earth sensing, and intelligence. Control means assuring our use of space and also the option of denial. Lastly, force application includes the vitally important function of theater missile defense, and my well understood role as the principle advocate for it, and appropriately, voicing the other CINC's requirements in this regard. I want to assure the community that I've received Chuck Horner's [General Charles A. Horner, former CINC USSPACE] message on this -- and a lot of other messages, too. I understand the requirements, based on where I've been -- the operational elements and the concepts. I assure you that I plan to continue to carry the banner.

Of interest, therefore, USSPACECOM has been active in the space-based IR study. We enthusiastically endorse the outcome and congratulate the operational and intelligence communities, teamed up together who worked hand in hand to produce it. From everyone I've talked to, there is agreement with the requirements. We will now incorporate them into a requirements document, which is needed to begin the formal acquisition process. We have set ourselves an aggressive schedule to accomplish this and should have it completed soon. Obviously, this will provide much needed improvement to our capability for missile warning, theater missile defense and intelligence.

Now, let me turn to mission enhancement.

I want to do this because of Secretary Widnall's emphasis, the course that General Horner set, my relationship with the other CINCs, and on a personal basis, my minute-by-minute experience as commander at AIRSOUTH, depended on it. Today's warfighter must have our services, and our job is to provide support in a quality fashion. This will continue to be our primary focus.

During the first two weeks of my tenure, we had the opportunity to provide space support to contingency operations in Haiti and Southwest Asia. It gave me an excellent opportunity, not only to become very involved, but also to observe our procedures and communications with the supported CINCs. We provided excellent support to both commands, and that was verified by the feedback we received from their staff and respective components. We learned a lot from the experience and believe we can make improvements that can benefit us all in future operations. After a subsequent and recent component commanders conference, we unanimously agreed about our focus on this.

Related to this, there has been considerable dialogue about the possibility of establishing a Joint Space Warfare Center. This was also a major topic at our component commanders conference. Again, we unanimously agreed that the establishment of a Joint Center would be very beneficial to our collective joint warfighting capabilities, so that the teams within the team can operate effectively. I have also discussed this with General Shalikashvili [General John M. Shalikashvili, Chairman of the Joint Chiefs of Staff] and Admiral Owens [Admiral William Owens, Vice Chairman] and will soon be forwarding our proposal for their consideration. Our concept includes establishing the center at Falcon Air Force Base in order to make good use of the available facilities and capabilities already there. Functions to be accomplished as we envision them are applications testing, development of tactics, techniques and procedures and doctrine, teaching, simulation and modeling, and providing direct support to the warfighters. Regarding the latter, we envision having space support teams designated for each of our geographic CINCs. Their responsibilities would include working with the re-

spective staffs continuously to include exercises.

We envision that through this continued, close association, we can well integrate space knowledge and warfighting capabilities into their respective operations with the benefit of being ready when military operations are called for.

I brought with me a few graphic examples of what we can provide through our joint component space support teams. At this point, one of the things that we can do better is to carry our story and teach it so it becomes part of the natural thought process in joint warfare.

Space Enhancement Categories

- **Communications**
- **Weather**
- **Navigation**
- **Intelligence**
- **Warning**

Listed here are the space enhancement categories again. I do not list them in any select order, but the first one, communications, is absolutely vital to any combat operation. The leaders need to communicate with the shooters and vice versa and space communications provides a most unique capability.

First, the geographic dimension becomes a non-issue. Through space-borne communications, you can talk to and receive from anywhere on the globe. Additionally, you can do this with secure, anti-jam capability through our UHF, SHF and EHF satellite nets. As we bring on MILSTAR, it will improve these capabilities so we can better communicate with the bridges of ships, soldiers in the foxhole and aircraft cockpits. The bottom line is: if you don't have space-borne communications, you can't fight and win on the modern day battlefield. That also is what information management and information warfare is all about.

Second is weather. We understand the "fog of war," and the impact which weather has on the outcome. The battle manager must know about it. Weather satellites and their capabilities provide a unique and special advantage in this regard. Not only can we take a real-time picture of what is going on, we can

also measure moisture content. With the increased numbers of infrared guided weapon systems in our inventory, let me assure you this type of information has become increasingly important. I can tell you from personal experience, that weather was a significant element in our search for artillery sites around Sarajevo. We simply must have this capability -- accurate and real-time.

Third is navigation. I believe that today GPS is well known to everybody and it is obviously going to become better known and more relied upon in the future. It is a revolutionary capability on which everyone has almost become dependent. Navigational accuracy down to 15 meters anywhere on the globe brings an entirely new dimension to our thinking about weapons employment. The GPS constellation that we operate provides this service.

Next is intelligence. Although in this forum I cannot go into detail, the graphics on MSI are representative of what we can do with space-based sensors. This is a LANDSAT generated multi-spectral image. Using a computer to analyze this image, combined with digital terrain elevation data, such things as slope, moisture content, vegetation, urban areas, and physical change over time can be determined. These attributes can be manipulated to assist the combat manager in all kinds of decisions regarding air, naval and land operations. I've been a part of this in real experience. It is invaluable.

Lastly, warning is perhaps our most important service as it pertains to theater missile defense. Only we can provide this service and we want to make it better. As a theater commander lashes together a responsive system, including the elements of command, control and communications, sensors and weapons systems, space-based warning capability must be and has to be integrated. Our space support teams will play a key role here. As an aside, we can do this in a more timely fashion than we did for General Horner, and General Schwarzkopf [General H. Norman Schwarzkopf] in Desert Storm because of the great cooperation and teamwork between the components and our customers.

In summary, we plan to work this area -- enhancement and support and warfighting --

to give our warfighting colleagues, as teams within the team, the service they need and deserve.

Before I close, I'd like to acknowledge that there are a number of issues that the space community is dealing with. I'm doing my level best to educate myself on them so I can be an active participant toward their solution. These include topics such as launch, commercialization and space management and reorganization. Secretary Widnall will address some of these today in her talk.

Again, thank you for the opportunity to join you today. I'm honored to be here representing the great men and women -- military, civilian and contractor -- of Air Force Space Command, U.S. Space Command and NORAD. I'm proud to be teamed with all of them and you. I look forward to working with the Air Force Association and the space community to continue to build on and improve our nation's space forces and capabilities which so vitally contribute to global power, reach and omnipresence for America. Thank you.

General Joseph W. Ashy
 Commander in Chief
 U.S. Space Command

Question and Answer Session

GENERAL HATCH: *Thanks Joe. The magnitude of that operation is just enormous. Thanks for those comments. With regard to space, here is a question on space launch. According to General Horner and the tone of questions from the audience, the United States could do better in the space launch area. Would you give us your views on where we might be going?*

GENERAL ASHY: You have started with a very controversial subject. I read with great interest General Horner's remarks here last year. I've tried to educate myself with regard to all of the proposals to fix the launch business -- to modernize it requires money and capitalization. I think Tom Moorman [General Thomas S. Moorman, Jr.] and his study have set the right course. We are looking forward to that.

In the meantime, I've talked to Bill Jones [Lt. Gen. William E. Jones], every wing commander, every ops group commander and every squadron commander about the current system and the capabilities that we have. Our job is to make sure we are using with great efficiency what we have. Having visited the launch bases, I am excited at the way we are looking at the processes that we use to launch our payloads. In our mind, we've come up with another measure of merit, besides cost, which we need to be concerned about. This is timeliness, which General Horner looked at last year. We can do a bit better job of scheduling. With everyone's input being properly considered, we need to make sure that we get it up there effectively and safely.

The modernization of the launch systems will not happen overnight because of the capitalization problems. What we are going to do is focus on what we have right now and then be an active participant in the modernization effort.

GENERAL HATCH: *Next is a two-part question. A lot is being said today about space reorganization and space management. What are your thoughts about this issue, and will you talk to the roles and missions commission on this subject?*

GENERAL ASHY: First, I have not talked to the commission. General Horner did briefly. I believe that I will have a chance to spend time with them in December. With regard to the organization of U.S. Space Command and its components, we've done some thinking about this. Space is a medium. We have a unified command appropriately structured in that regard, and we have service components. The services have the right and obligation and responsibility to organize, train and equip. We have done that appropriately. I look forward to operating with these teams within a team. Having met with the service component commanders, I think everybody is happy with where we are now and where we are going.

GENERAL HATCH: *Thank you, General Ashy. Could you expand on the importance of theater missile defense?*

GENERAL ASHY: General Fogleman mentioned it and so did John Lorber. It is a part of air defense and counter-air operations. I don't have to tell this audience about the importance of the mission. We understand and support it. From our perspective, we've got to do a better job of "warning." Can we do it now? Yes, we can do it, but we are trying to improve. We want better fidelity on where it is coming from and where it is going so that we can more effectively use our weapons system. It involves how the weapons are developed and how we apply forces against the incoming. I am really encouraged with the developments in SBIR. Three factors bear on the problem. One could be funding. Two could

28 **THE AIR FORCE:
TODAY AND
TOMORROW**

be some sort of compliance problem. Or thirdly, some political problem or, in most cases, all three of them. We must work our way through these, but I am encouraged by the SBIR study. In fact, going back to the previous question, I wanted to make this point with regard to organization: The business of having some sort of a space organization and management body has been discussed, and I know it's been worked at very high levels. Dr. Deutch [Honorable John M. Deutch, Deputy Secretary of Defense] has been working it. Admiral Owens has been working it. I've talked to both of them about it. This summer's study was a good example of people coming together and talking together about how to specify requirements and to work together on these objectives. I hope that gets put together very, very quickly. SBIR and theater missile defense are good examples of the process.

GENERAL HATCH: *General Ashy, thanks for being with us today. We are proud of the job you are doing and we wish you the best of luck in the future.*

Roles and Missions: The High Ground

Thanks for the warm welcome. And welcome to all of *you* to this important gathering of Air Force supporters. I'm excited to be here this afternoon for two reasons. First, any reason to take a short break from the Pentagon is a good one, and second, I have some exciting news for you that shows how we're posturing the Air Force for "today and tomorrow."

British novelist Graham Green once said "There always comes a moment in time when a door opens and lets the future in." We are at such a moment in time, and one place the door to the future is opening wide is space -- military space and commercial space. So let me share two examples of how we're making sure the Air Force takes advantage of that open door. The first is an exciting dual use initiative, and the second is our space management initiative.

If you've heard me talk about space before, you know I have three goals:

- First, make space support to the war fighter routine.
- Second, improve military cooperation with civilian space efforts.
- Third, make space launch routine and affordable.

Let me focus for a moment on the second goal: to improve military cooperation with the commercial space world.

Toward that goal, I'm happy to announce an Air Force strategy for the dual use of Vandenberg AFB [Calif.] which will open it in an exciting new way for commercial space launches. We are moving forward to negotiate a long term lease with the Western Commercial Space Center, allowing for the development of a commercial "Spaceport" at Vandenberg Air Force Base. Under this proposal, Western Commercial Space Center will build a commercial launch pad and satellite

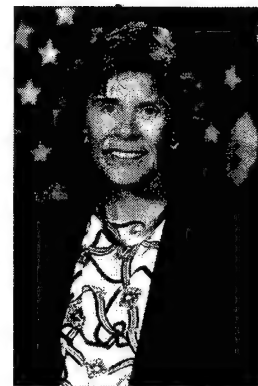
processing facilities.

Western's California Spaceport will provide launch services for a new generation of small, commercial boosters. The Spaceport will provide the polar launch capability critical for commercial space ventures, such as personal telecommunications and remote sensing, that are poised for explosive growth.

This lease will represent a landmark decision for the Air Force. It is the tip of the iceberg for military/commercial space cooperation on the West Coast. And this cooperation is important for the Air Force! The lease will allow the California Spaceport to use existing AF infrastructure. In fact, they will use some facilities originally built for space shuttle launches but which are no longer required by the Air Force.

This new activity at Vandenberg builds on a base of Air Force commercial cooperation that exists at Patrick Air Force Base [Fla.] and Cape Canaveral as well. Spaceport Florida will ensure access to geostationary orbits for our commercial partners on the East Coast.

If new commercial space ventures had to duplicate the expensive launch infrastructure built by the American taxpayers over the last 25 years, it is unlikely they would be able to compete in the space market. This is a prime example of how the Air Force is helping to bolster U.S. economic progress in the rapidly growing commercial space arena.



To improve military cooperation with the commercial space world . . . I'm happy to announce an Air Force strategy for the dual use of Vandenberg AFB which will open it in an exciting new way for commercial space launches.

30 **THE AIR FORCE:
TODAY AND
TOMORROW**

The Air Force lease to the California Spaceport plus operations at Spaceport Florida, will support President Clinton's National Space Transportation Policy, signed just a few months ago. The President's new policy directs the Air Force to actively consider commercial needs and factor them into decisions on improving launch facilities and launch vehicles.

The President's Space Policy is designed to foster the international competitiveness of the U.S. space industry. The spirit of the policy is for U.S. government agencies to make mutually beneficial commitments with the private sector. This lease is exactly what the President had in mind!

The key message in the national policy is: "The U.S. government will make reasonable efforts to provide stable and predictable access to appropriate space transportation related hardware, facilities, and services." It will also "encourage private sector and state and local government investment and participation in the development and improvement of U.S. launch systems and infrastructure."

I think the President will be excited about this dual use space launch initiative because of its potential to revitalize our international competitiveness. Military/commercial cooperation such as this promises to generate significant revenue and employment which would otherwise go overseas. This is good news for strengthening the defense industrial base.

As you may know, Vandenberg Air Force Base is the only launch site in the continental United States capable of conducting polar launches. If the commercial space companies weren't able to use Vandenberg, they would have no choice but to go to off-shore launch bases and foreign boosters.

One only has to read *Aviation Week* to see that foreign competition in space is not going away. France recently increased its space budget by over 20 percent. Japan increased its space budget by 9 percent. India just launched a remote sensing satellite. China is seeking greater cooperation to build communication satellites. Russia is selling rocket engines by the dozen. And everyone is building boosters.

Although the Air Force decided to proceed with this lease proposal earlier, I waited

until today, when I would be in California, to announce this landmark idea. Like the Air Force, California is keenly aware of the potential for industry/government cooperation to help jump start commercial space. The potential for high tech job creation is enormous. And it couldn't have happened in a better place -- Southern California where defense downsizing hit the hardest.

The state of California wholeheartedly supports commercial space. In fact, I've received strong letters of support for the Western Commercial Space Center and this long term lease from both the Governor and Senator Feinstein.

California has also committed \$850,000 in matching funds to the California Spaceport for commercial space launch. Anyone who's familiar with the California budget knows this is a significant endorsement.

So the Western Commercial Space Center and other commercial space initiatives at Vandenberg are examples of the tremendous leveraging of federal, state and industry dollars. This leverage has created the opportunity for one of the most significant defense conversion and dual use projects we have going today!

I would like to commend Western's personnel who have worked hard to champion support for the California Commercial Spaceport. I understand they worked feverishly to cultivate support among the various space companies, state officials and the federal government.

I also have to commend the Air Force personnel at Vandenberg Air Force Base for their forward thinking approach to working with industry. Brigadier General [Lance W.] Lord and his entire team have worked hard to make this project a reality.

The unprecedented long term nature of this lease represents a major Air Force commitment -- it's a long term commitment. And the stability of a long term commitment is what the commercial space business needs to get off the ground.

The Air Force-California Spaceport cooperation will hopefully be a model program for government dual use efforts. The President's new Space Transportation Policy will open the door to many future opportunities for military-commercial cooperation. And

the effective use of available Air Force infrastructure is good for the Air Force -- and good for the nation!

We've suggested that the Secretary of the Air Force become the executive agent for space. That proposal is now being staffed in the Pentagon.

Coming back to my goals for space, you'll recall that my first goal is to improve support to the warfighter. Last week, I saw a demonstration of Real Time Information in the cockpit. This simulation demonstrated how real time intelligence can be sent to pilots while they are enroute to their target -- information that could save their lives. This demo made me smile for two reasons. First it was an example of how we're exploiting our space assets to their fullest potential. And second, the demo simulated an attack on the Pentagon!

We are also making good progress on my third goal, making space launch routine and affordable. Air Force and DOD experts have agreed on an acquisition strategy for building a family of boosters to replace our aging launch vehicle fleet. I'll give you a hint at the three source selection criteria. They are affordability, affordability, and affordability! Get the message?!

I think Congress is also excited about our plans. Their confidence is reflected in a 30 million dollar increase for getting started on a new expendable launch vehicle this year.

In England, shortly after World War I, Lord Rutherford faced similar affordability concerns: He said, "We are short of money. So we must start to think." Dual use of Vandenberg and Cape Canaveral are good examples of how we in the Air Force are contributing to the realities of our new economic environment.

Another good example is the Air force proposal for space acquisition management. Recently, Deputy Secretary of Defense John Deutch asked the Air Force to explore possible approaches to streamlining the Pentagon process for developing and acquiring space systems. We've suggested that the Secretary of the Air Force become the executive agent for space. That proposal is now being

staffed in the Pentagon.

Many people have labeled the space management debate as a roles and mission issue. Reviewing the financial equities of each service in the space acquisition arena, one can quickly surmise this is NOT a military roles and missions issue. It's a reinventing government issue. Since the Air Force currently has 83 percent of the funding and 93 percent of the personnel, it makes sense that we should be the focal point. Space acquisition is clearly one of our core competencies.

The plan calls for establishing a Joint Space Management Board to provide executive management of national security space systems. This board would be co-chaired by the Under Secretary of Defense for Acquisition and Technology and the Deputy Director of Central Intelligence. In fact, Mr. Deutch and Mr. Woolsey have asked a panel of seven senior experts to review this proposal and make recommendations. The newly confirmed acquisition czar, Dr. Paul Kaminski, has the lead for coordinating the DOD portion of this review.

Our proposed space management initiative will result in strengthened requirements, improved architectures, better program stability, and stronger commitments by all the space stakeholders.

Our proposal for space acquisition management is very analogous to how we acquire airlift systems. USTRANSCOM runs joint transportation operations, but the Air Force acquires airlift systems like the C-17. Likewise in space, USSPACECOM runs joint space operations, but the Air Force acquires the satellites and boosters.

However, the real issue is how to take advantage of the natural synergy between the classified and unclassified space programs. We cannot hope to achieve Air Force space goals unless we have our internal space house in order. Before we can capitalize on the synergy between commercial and civil space efforts, we must first ensure we've optimized the military and intelligence side of the space house.

Over the last few years, Congress has criticized the DOD for diffusion of space leadership, redundancy among services and agencies, poorly defined requirements, and no integration of space system architectures. The

space management initiative should help us put the national security space house in order.

The space management initiative consolidates management of all common user space related research, development, and acquisition under a single accountable individual in the Air Force. By consolidating DOD space acquisition within one service, we can create common architectures for military space capabilities and make trade-offs between competing programs. Our proposal will also start breaking down some of the unnecessary barriers between classified and unclassified space programs.

As you might have heard, our proposal has sparked some controversy, but that's to be expected. All the services are trying to do what they think is best for the country. Let me state clearly that we are not trying to make the Air Force stronger at the expense of the other services. But we do believe it's necessary and right to get the most from DOD's shrinking budget by reducing overlap. We're suggesting that the service that knows the most about space be allowed to manage the acquisition of these space systems which serve everyone's needs.

That doesn't mean the other services won't be involved in space, or that their requirements won't be fully represented. In fact our proposal involves the other services more than ever. Within the Joint Requirements Oversight Council, all services will validate all national security space requirements. Under our proposal, the other services will have more insight into Air Force internal deliberations than is currently the case. This sure sounds like win-win to me. Other services will also be represented in jointly manned space program offices.

Most important, the space management initiative is a win-win for those trying to reform acquisition and reinvent government. This proposal will allow full scale synergy between the intelligence satellite programs and the other DOD space programs. This synergy will save money, people, and time that we can fold back into supporting the warfighter, building boosters, and bolstering industry's efforts and America's economy!

Hopefully, you've detected a common

theme in my two topics today -- making the Air Force more economically efficient. What is happening on the Air Force's Space front in terms of dual use and management consolidation is representative of "the Air Force of today and tomorrow."

This push for economic efficiency goes by many names -- National Performance Review, reinventing government, TQM, re-engineering -- we call it Quality Air Force. But the point is that today's economic realities will continually push us toward increased efficiency.

Our budget problems of the last few years are not going away. And we're going to have to continually rely on innovative solutions like the dual use of Vandenberg Air Force Base and the consolidation of space acquisition management in the Air Force.

By consolidating DOD space acquisition within one service, we can create common architectures for military space capabilities and make trade-offs between competing programs. Our proposal will also start breaking down some of the unnecessary barriers between classified and unclassified space programs.

I hope you share my excitement about our dual use space launch announcement and the space acquisition management initiative. These initiatives will improve the economic efficiency of the Air Force and allow us to realize the Air Force vision of being the world's most respected air and space force. Next time, I promise I'll talk about airplanes! Thank you!

Lieutenant General Stephen B. Croker
Commander, 8th Air Force

33

Bombers: The Good News Story

GENERAL HATCH: *It is a great pleasure for me to introduce our next speaker. Bombers play a key role in our national military strategy. No area of modernization of force structure has been more controversial. As commander of 8th Air Force, he brings an operators point of view to these issue. From Barksdale Air Force Base in Louisiana, please help me welcome, Lieutenant General Steve Croker.*

LT. GEN. CROKER: Thanks, General Hatch. The last time I addressed this group, I'd just come from Washington, where I was a director of strategic airlift and special force programs. I had all the fun programs: C-17, B-1, B-2, MX rail garrison, small missile, Tacit Rainbow, SRAM II and a couple of others I'd just as soon not mention. But the job here at 8th is a lot more fun.

When I got to Barksdale [AFB, La.], the chief called me and said three things. He said first of all, from now on when I call you I don't ever want to find you in the office. Second, whenever I see a picture of you, I want it to be in a flight suit. Third, when I look at the quarterly flying time for all the numbered air force commanders, I want to see your name at the top of the list. That is pretty nice guidance. It was easy to understand and it was enjoyable. So I've had a great job.

Last time, I spoke to you as a guy responsible for acquiring the B-1, the B-2, fixing up the B-1, modernizing the B-52. Today, I speak from a position as a commander of the fielded bomber force. I am really pleased to be here because last time I came here I was doing a little bit of explaining, a little bit of apologizing, trying to convince you to trust me a little bit longer and we'd get some of these done. Today I have the opportunity to tell you that the bomber force is alive and well. The bad news is I only have 20 minutes to do it in.

Let me try and put the story in context first. As the Air Force gets smaller, and it is getting smaller, 40 percent fewer aircraft, 30 percent fewer people and 15 percent fewer bases, we are increasingly based in the United States and our national security depends on weapons systems that can respond immediately and decisively to security threats wherever they emerge in this crazy world -- Rwanda, Somalia, Iraq, you name it. We've got that kind of a weapon system already, the team of bombers. As General Loh [General John M. Loh, Air Combat Command], my boss, says, "nothing can inject American military power as quickly or project as much punch, hold as many targets at risk, or halt an invasion as quickly with as little peril to American lives as the bombers." Indeed, the bombers' precision, lethality, flexibility, its immediacy and its ability to get there quick make it the *sine quo non* of **Global Reach and Global Power**. Well, you've all heard me say this before when I was here two years ago. I could hear you then and I can hear you now thinking out loud -- a little skeptically, "yeah, but let me see the goods; let me see you deliver."

What I'd like to do today is spend about 18 minutes telling you how the bombers are living up to this promise.



I'd like to start by talking about the much disparaged B-1. The Lancer has been in the penalty box virtually since its introduction. Of course, it has also been underfunded, short of spares, not given test sets, and the repair capability has been less than we wanted. It has been given a bum rap.

Why do I say it has a bum rap? The other day I looked up "groundings." You remember the big headlines "B-1 fleet grounded." In the first eight years of the B-52 program, the B-52 was grounded 57 times. In the first eight years of the F-15 program, the F-15 fleet was grounded 29 times. In the first eight years of the B-1 program, we've had eight groundings.

Well, there have been a lot of accidents. You've seen the papers. Another airplane crashes all the time. In the first four years of the B-47, we had 83 crashes. In the first four years of the B-52, we had 18 crashes. In the first four years of the B-1, we've had 3. Bottom line is the B-1 is getting a bum rap.

Fortunately, at the direction of Congress, this past June, the United States Air Force was told to begin a six-month test, as soon as it could to prove -- once and for all -- that the B-1 was really capable of achieving and sustaining its planned mission capable rate. To the surprise and shock of everybody, we jumped at the chance and started a program called the DAKOTA CHALLENGE.

B-1B Operational Readiness Assessment

- Achieve/Sustain 75% Mission Capable Rate
 - At Home (Ellsworth AFB, SD) for 6 mo
 - At Deployed (Roswell, NM) for 2 weeks

We proved that the aircraft can maintain a 75 percent mission capable rate, both at home and in deployed locations.

Mission capable, means the ability of the airplane to carry out fully one of its wartime missions. We had to do a test at the Ellsworth [AFB, S.D.], its home station for six months, and then deploy to a remote, austere location, a bare base for two weeks. That is what DAKOTA CHALLENGE is all about, an ORA [Operational Readiness Assessment] to deter-

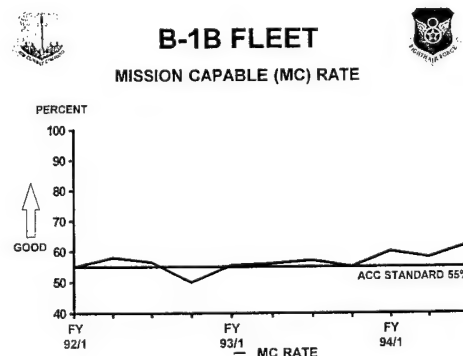
mine if the Lancer can destroy defended, time-critical targets early in a conflict and sustain its contribution in a follow-on theater campaign.

Quite simply, people wanted to know if they can fly as much as they are supposed to, carry out the program for a couple weeks, and resolve the long-standing disagreement about how much funding is required to make sure the B-1 can do what it is supposed to do. I don't want to go into all the details of the elaborate procedures to safeguard the integrity of the program. People were suspicious, but we've gone a long way and worked very hard to make sure that the test results are unambiguous, above board and valid.

As I said, people were surprised. I think they were surprised that the Air Force was so eager to do this quickly. They were so surprised that we started the tests so soon. Most of all, they were surprised that we've done so well.

I guess, people were reading their own press clippings. In some communities, you'd say they were drinking their own bath water. The bottom line is that the test has gone well and at the end of it, Congress and the American public are going to know that an honest, objective, fully validated assessment of our B-1 capability shows that when you are funded at planned levels, you are going to get good news.

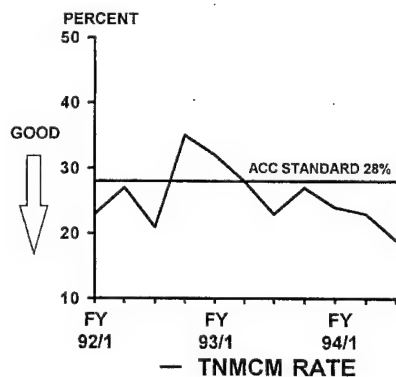
Before I tell you what is actually happening in DAKOTA CHALLENGE, I'd like to take you back in time and tell you the history.



We decided that we would set a standard for the B-1 because we were short of spares, and test sets and we were depending on underfunded interim contractor support. We

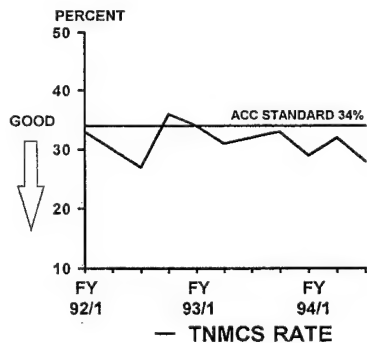
set the mission capability rate at 55 percent and the airplane was rocking along over two and a half years, slowly climbing to about the 62 percent rate. Not bad, but not very impressive, compared to some of the other modern airplanes. Given the state of funding, not bad and a slow, steady improvement.

NOT MC FOR MAINTENANCE



The Not Mission Capable Rate for Maintenance is an indication of the things that I can control in my wings -- the ability of the people to fix the airplane once it breaks. In the same two and a half years, except for the early peak when we had a slight engine problem, the rate has been steadily improving.

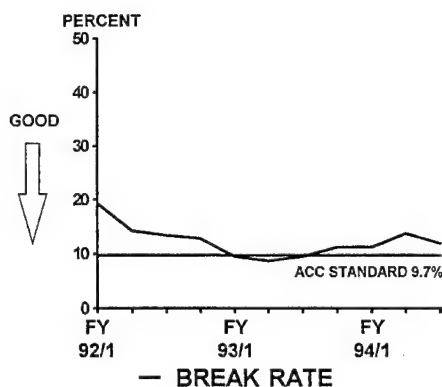
NOT MC FOR SUPPLY



The Not Mission Capable Rate for Supply is an indicator of an outside agency's efficiency to keep the airplanes in commission. That number is pretty high. The reason was in 1993, for example, we were only 68 percent funded for spares. We had a \$13 million backlog in spare parts that were sitting in the depot or with the contractor waiting to be fixed. There was no money to fix the parts and that is why that number was so high. But,

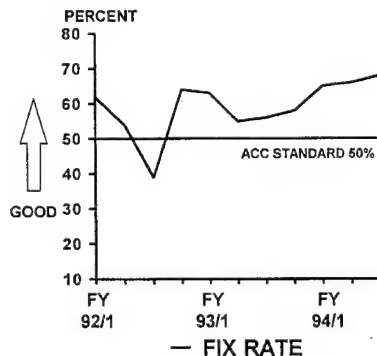
by February 1994, a couple of months before we started the test, the funding was up to 96 percent and you'll see the results of that.

AIRCRAFT BREAK RATE



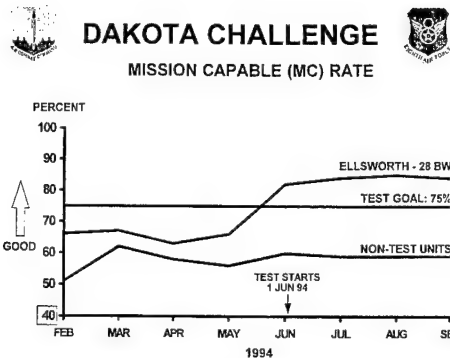
The Aircraft Break Rate is a measure of how often the airplane lands with a discrepancy that would affect its wartime performance. Again, the trend is downward and about where we want it to be. This is all before the test.

12-HOUR FIX RATE



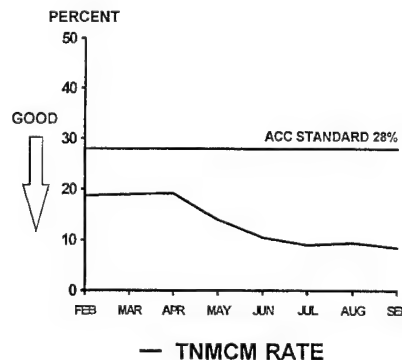
The 12-hour fix rate is the measurement of the time, or ability within 12 hours to get the airplane fixed and ready to go. Here again, before the test ever started, there was a slow, steady improvement in our ability to fix the airplane. Taken together these fix indicators show that we already had a maturing aircraft before the test even started.

Most people, however, didn't pay attention to this data, but we in the Air Force were reading the tea leaves, looking at the signs, and we knew that we were steadily improving our reliability and sustainability, even inspite of the critics and the lack of the necessary dollars.



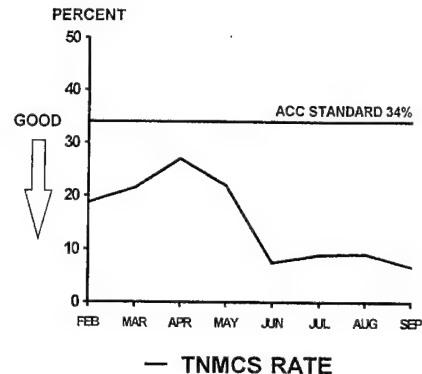
Now for the good news about DAKOTA CHALLENGE. The test goal was to move from 55 percent to 75 percent. We were trying to keep the non-test units at 35 percent. When we started the test, their current rate was 52 percent and Ellsworth quickly jumped from about a 66 or 67 percent to 84 percent where it holding today. Now, the tests began with about 70 percent of the spare parts on hand at Ellsworth, but we put the spare parts in there, gave them 100 percent manning and those test results show that within several weeks, the mission capable rate was holding at the 84 percent level. The cumulative rate as of yesterday was 84.6 percent. Remember, the goal of the test began at 75 percent, up from 55 percent.

**NOT MC FOR MX
(MANPOWER DRIVEN)**



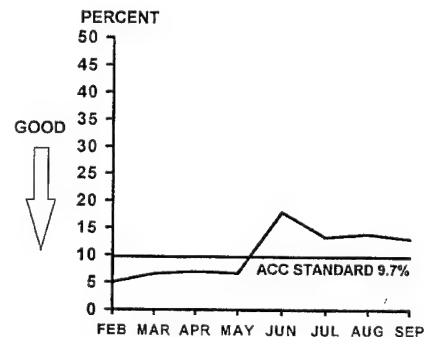
The Not Mission Capable Rate for Maintenance, the reflection on how much we can fix locally, is going down like a rock.

**NOT MC FOR SUPPLY
(PARTS DRIVEN)**



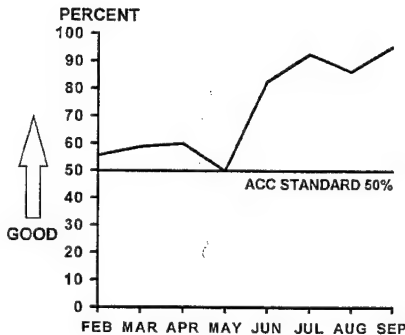
The same with the Not Mission Capable Rate for Supply. Both are below 10 percent and both steadily declining.

AIRCRAFT BREAK RATE



We did have a slight hiccup in the numbers for the aircraft break rate, but we are using the airplanes pretty hard. It is pretty close to the standard and we are satisfied with that.

12-HOUR FIX RATE



— FIX RATE

The 12-hour fix rate, again, our ability to fix the airplane within 12 hours and get it back in the air, has improved dramatically. Last month, almost 100 percent of the airplanes that were broken when they landed were being fixed within 12 hours.

These statistics show that when the people and the parts are funded, at planned levels, the B-1 is as capable and viable as any aircraft in our inventory and a heck of a combat airplane.

While plussing up Ellsworth's manning to 100 percent and making spare parts available in a timely fashion were critical contributors to the dramatic jumps I've just shown you, this was not a result, as some pundits have indicated, of the Hawthorne Effect.

Remember that old experiment, when you turn the lights up, people work harder, you turn the lights down and they still work harder and the answer was that the lights had nothing to do with how hard people worked, it was the fact that people were looking at it and paying attention to what they did that caused the increase in productivity. That is not why this has happened for the B-1.

A lot of these improvements were a result of already ongoing B-1 logistics efforts and smart dedicated people. Let me give you a couple examples.

We closed Grand Forks Air Force Base [N.D.] as far as the B-1s. This gave one less location to support with spares, equipment and people. That helped. We transferred the last of our B-1s at McConnell [AFB, Kan.] to the Air National Guard. That allowed us to relocate critical active duty folks to Dyess [AFB, Texas] and Ellsworth, so we are down to two

locations. Two locations are a lot easier to maintain than four.

We've also steadily improved the software in the test set programs so now we can do the tests quickly and accurately. At one time, we were sending over 28 percent of our spare parts off-base to be fixed and they weren't even broken. It wasn't because we were stupid. It was because the test sets weren't accurate. We've fixed that now and improved the software. We also can repair many more black boxes on base, and we've driven down the repair time, for example, on our electronic countermeasures gear, by over 300 percent. The net result of all these things, obviously, is better mission capable rates.

We've also made a lot of improvements on the flight line, some just philosophy changes. We've put more emphasis on mission capable rate. We also keep the airplanes on the ground longer and fix them right the first time so our delayed discrepancy rate is well below the command standard and comparable to other modern day aircraft.

For example, before we started this test, we had 1,200 different items that could put the B-1 on the ground with a red X. We've narrowed that list down to 75, just by better systems knowledge. So, using our quality methods, we've made some enormous process improvements in the base repair cycle and the way we handle airplanes.

The B-1 has 8,400 line replaceable units - eighty-four hundred. A typical F-16 wing has about a quarter that number. So, the job of prioritizing the repair of these eighty-four hundred units is critical when they break. We put a lot of time and energy into focusing our repair action, both at Ellsworth and in the depot. We've more realistically outlined our requirements for the depot and we now have an in-house capability to repair lots and lots of things that we simply couldn't repair before.

For example, there is a potentiometer on a radar set that when that hummer breaks, we had to send it back to the depot. It cost us \$276,000. We now fix that potentiometer at Ellsworth and avoid the repair costs and the shipping costs and the loss of the asset. We are about 100 percent organic capable on all the repairs we are supposed to do at Ellsworth. That makes a big difference.

38 **THE AIR FORCE:
TODAY AND
TOMORROW**

We've made great progress in shipping the items back to the depot and getting them fixed there. For example, at Oklahoma City, the average repair time on our B-1 line replacement units has dropped from 21 days to 12 days. Parts and work dropped from 7.2 to 2.6 days. Awaiting parts time dropped from 4.2 to 1.4 days, and the depot also does 60 percent more organic repair than they did a year ago. Not only are we up to 100 percent organic capability at the base, but the depot as well has improved.

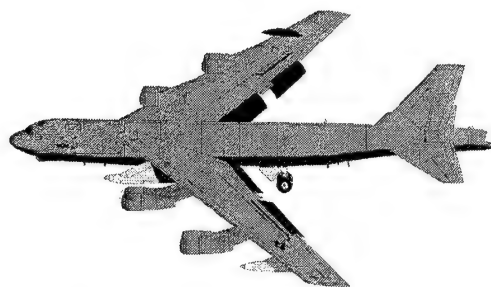
Streamlining, closely monitoring stock levels, and refining reporting procedures have made a big difference.

In 1992 and 1993, our interim contractor support was woefully underfunded. We were funded about 68 percent. I told you we had a \$13 million parts backlog. That is all gone because the funding level now is at 100 percent.

If I had to focus on one level of improvement though, I might go back to the Hawthorne Effect and tell you that the real answer is the quality of the folks we have. From the backshop technicians to the flight line, folks are just doing a great, great job. I could give you story after story of what people have done to save money. A \$4,900 generator part that we used to have to throw away, we now fix for \$550. A \$700 wave guide is now fixed for \$20. We fix a \$5,900 throttle quadrant for \$324. At Ellsworth this past year they documented savings of \$184,000. That is \$184,000 with an additional \$93,000 in cost avoidance. It doesn't sound like a lot of money, but it has a dramatic impact on the cost of doing business and the mission capable rates.

From my perspective as the 8th Air Force commander, the B-1 is performing superbly. It is exceeding the critics expectations, which quite honestly wouldn't be too hard, and even the General Accounting Office has acknowledged that the test is being conducted fairly and objectively, and that the deck is not stacked. People were maturing, and the aircraft was maturing. We have sufficient parts and people, and we've got great leadership. The final phase is scheduled at Roswell [N.M.] in about a week for two weeks in a bare base environment where we fly at our wartime rate. In fact, we'll do better than that, with the same

people, the same parts, and the same support that we would have in a wartime package. We've already practiced that at Ellsworth and I am confident when the final report is written, just after 1 December when the test is done, the B-1 will be out of the penalty box and playing its rightful part as the backbone and the workforce of the conventional bomber force. When I gave that message two years ago, nobody believed me. The bottom line is: the B-1 works, and it works well. You can be proud of the aircraft and we ought to get it out of the penalty box and get on with our business. That is the B-1 story.



Now, for the B-52. Yes, it is an old airplane, 35 to 38 years old. We just completed, in the last month, a trans-global bombing mission. It is the fourth anniversary of Iraq's invasion of Kuwait, and it sent a subtle message to our friend over there. In the early morning hours of August 1st, three buffs took off from Barksdale and the best two kept going and flew a 47 hour and 9 minute sortie, with two crews of eight, covering over 20,000 miles. They touched down the morning of 3 August back at Barksdale. The guys were slightly exhausted, but very elated, because we'd set a new endurance record for the B-52, exceeding the old 44 hour and 20 minute record set in 1957 by General Bill Eubank.

It was more than just a circumnavigation, however, because we released 54 500-pound bombs on a predesignated target in Kuwait after 17 hours in the air and within three seconds of the scheduled time of release. You can do that through global positioning satellites and the navigation capabilities that we talked about earlier in the space support.

The bottom line is, the B-52 is viable, has life left, and is doing a great job. Right now it has the capability to carry the conventional, air-launched cruise missile, the TV-guided

Israeli Have Nap missile and the Navy Harpoon anti-ship missile. We're operating it as we did the G-model with night vision goggles, and it is going to be a great stand-off weapon system providing support not only to the land commanders but the maritime commanders as well.

As you know, Congress put words in the 1995 appropriations bill that barred the retirement of the B-52s and added money to the budget to keep the level high. I am pleased that they put their money where their mouth is on that one. That is a good program.



The B-2 is the last bomber I'm going to talk about. We got the *Spirit of Missouri* on 17 December, just about a year ago. I got to fly the *Spirit of California*, the second B-2, from the factory. The 8th Air Force commander has to do things like that on occasion.

We now have four Spirits. Tomorrow I'll go up to Seattle with General Loh and we'll dedicate the *Spirit of Washington*.

These airplanes are working like dynamite. We're going to get one a quarter. We flew 70 training sorties with a 95 percent sortie success rate. We only had two maintenance cancels in our first 95 sorties and that was for the same part, which I think we fixed. We thought we'd get one sortie a week, or about four sorties a month. Within a month, we were getting four sorties a week or about four times the production we anticipated out of the first B-2.

In fact, the first B-2 is in its first 200-hour phase inspection now, about six months ahead of schedule because we've been able to fly it so consistently. We've already dropped our first inert two-thousand pound bombs. We will have an initial combat capability in the

airplane just after the first of the year. We are doing refueling, high and low bombing training and the B-2 will participate in its first RED FLAG probably in January. We've trained four instructors in-house. The senior staff is trained and by the end of the year, we will have 12 pilots trained with eight qualified instructors, four load crews and 400 maintainers.

The B-2 is only in its first year, but it is already showing signs that is going to be the rookie-of-the-year and the franchise player that we expected. Congress has made a decision to maintain the B-2 industrial base. My boss and I think that is prudent. We need to retain the capability to produce such a weapon system until we can fully assess, in another study directed by Congress, how many bombers we need to handle two near-simultaneous major regional contingencies.

In summary, the B-1 is doing great, and you can be proud of them -- the Rockwell team and the people at Ellsworth. We hope it is out of the penalty box for good.

The B-52 is as full of life as it ever was, and the B-2 is working well. The bombers are fully integrated, into both the Air Force Reserve at Barksdale and the Air National Guard at Kansas. In sum, the things that I promised would happen the last time I spoke have come true. I say that, not as an acquisition weenie, holding out the promise of something in the future, but as a field commander that has the goods in hand and can tell you, with first hand experience, that the vitally needed long-range combat power this nation needs is in hand.

I'd be glad to take your questions.

BOMBERS: THE GOOD NEWS

39

40 **THE AIR FORCE:
TODAY AND
TOMORROW**

Question and Answer Session

GENERAL HATCH: *Thank you, Steve. You covered a lot of territory. We got the message that with people and parts, the operational readiness for the B-1 is going to be up to snuff and you are going to complete the final part of this at Roswell?*

LT. GEN. CROKER: Right, the test is a six-month test and it involves 100 percent of the planned personnel and spare parts. It started 1 June and will be completed on 1 December, but in that period there must be a two-week deployment to a bare base. When the current unpleasantness erupted with Iraq, we even seriously considered doing the test in Saudi Arabia. Instead, we are going to do it at Roswell. That portion will be completed during the first two weeks of November.

After they close out the test, they plan on delivering the report to Congress just after the first of the year. It has been audited by GAO and validated by AFOTEC [Air Force Operational Test and Evaluation Center]. To date, the data is very promising.

GENERAL HATCH: *Well, not too many pass a GAO test, so if you've passed that test, that is a major hurdle. We have a couple of questions on force structure. I understood you have a study underway on planning for two MRCs [Major Regional Contingencies], but could you describe today's force structure and this business of having aircraft on base but not being combat ready, storage capacity, and how will that track out in the next few years?*

LT. GEN. CROKER: Today, we have a total of 94 B-52s and 95 B-1s, however you choose to count them. The Air Force has a problem in that we want to upgrade all three bombers with precision munitions, but because of money and the test program requirements -- the length of time it takes to validate the development and the testing and report to

the Congress and get the money -- we don't expect that precision weapons will be available in quantity on any of the three bombers 'til the end of the decade.

We have the capability to carry lots of iron bombs, but we would prefer to carry precision munitions. In order to save money, because the bombers are expensive to operate, we have reduced the "authorized number" [PAA] that we can fly and crew day-to-day until the end of the decade when we get the precision weapons. Then, we will buy them back.

Instead of putting the extra airplanes in the bone yard or cutting them up or letting them rot, we are keeping them on the bases. For example, in the B-52 program, we will be funded to fly 74 airplanes. We will spread that money among 94 airplanes so that every airplane will be flown at a smaller utilization rate, but all the modernization upgrades, and all the TCPOs [technical changes] will still be accomplished.

The airplanes are being flown and are fully capable, but we just fly them all at a lower utilization rate. In effect, we are using less than the full amount of airplanes that we have on the ramp. But, it is not like the old Crested Dove program where we just parked those hummers and let them fall apart. These aircraft are actually going to be flown on a regular basis. We won't be funded to fly 95 airplanes at 100 percent but only funded for O&M to fly 74 B-52s this year. The same is true for the B-1.

The B-2 will be fully funded. We will end up paying to fly 62 B-1s, pay to fly 74 B-52s and pay to fly 4 B-2s. At Minot [AFB, N.D.] the Secretary said we will maintain our B-52 force structure at 72 aircraft through the end of this year. Congress has directed that no B-52s will be retired and that by the end of the year we will have two B-52 bases.

42 **THE AIR FORCE:
TODAY AND
TOMORROW**

The disparity between her number (72) and my number of 74 is based on the actual dollars we have available to pay for flying hours. A total of 94 B-52s will still be available to us in the Air Force, including the one at Edwards. If that is confusing, I apologize. Please see me afterwards; it is not an attempt to use smoke and mirrors.

GENERAL HATCH: *Thanks for the excellent run down, Steve. We know precision munitions programs are funded, but is there funding for the modification programs to implement precision munitions on the bombers?*

LT. GEN. CROKER: The modification programs are also funded. Again, they are timed to be available when the munitions are available. We could have made the investment in all three aircraft a little earlier, but the munitions aren't available in numbers until the 1998 to 1999 timeframe.

In the B-52, we have a munition that Northrop has developed, the GAT-SCAM, that will demonstrate some precision capability a little bit earlier. The aircraft modifications are timed to coincide with the weapons availability and that, in rough terms, is near the end of the decade.

GENERAL HATCH: *Thank you, General Croker. The Congress put \$125 million into the budget for the B-2 industrial base. How will that money be used and what does that provide us?*

LT. GEN. CROKER: As you know, we were originally funded to build 132 B-2s. We planned on building three aircraft per month or 36 a year, and the total program was going to cost \$36.6 billion. In our wisdom, we have decided to build not 36 airplanes a year, but two airplanes a year -- one airplane every six months as opposed to three airplanes every month. To the untrained observer, that means all the plant and equipment and people who are capable of building 36 a year are only being allowed to build two a year. So, the indirect costs or the overhead costs went way up.

Therefore, Congress terminated the program, not at 132 aircraft nor at 75 aircraft, but at 20 aircraft. Instead of paying \$36.6 billion for 132 airplanes, we are paying \$44 billion for 20 airplanes, which is very prudent in some circles, not in other circles.

We say that if we can get into lean produc-

tion with the B-2 and facilitate the company building a smaller number with correctly apportioned overhead, from the beginning, then we can produce just a couple every year and do it much less expensively because we will not carry all these indirect costs or all this overhead. We have asked the Congress to let us prove that we can do that. In the meantime, we asked to spend money to preserve the equipment that is in place. In other words, not to dismantle the production facility while we are doing the other study as directed by Congress to prove how many bombers we need.

The request for \$125 million dollars is a holding action to let us get through the study to prove how many bombers we need to support the two major regional contingency scenario.

GENERAL HATCH: *As a final question, when are those studies due to the Congress?*

LT. GEN. CROKER: The B-1 ORA study is due just after the first of the year. As I recall, the appropriations study is due by April of 1995.

GENERAL HATCH: *Steve, thanks very much for being with us.*

The Honorable Clark G. Fiester
 Assistant Secretary of the Air Force
 Acquisition

The Air Force Tomorrow

GENERAL HATCH: *Ladies and Gentlemen, our final speaker of the day has a job that puts him at the center of most of industry's concerns. Our Assistant Secretary of the Air Force for Acquisition, who came to us after a long career at GTE. He is a California man who now serves in Washington, please help me welcome the Honorable Clark G. Fiester.*

MR. FIESTER: Good afternoon. As I start, let me add to General Croker's remarks. We were tasked by OSD, it was either late last week or early this week, to look at what we might do to accelerate the JDAM [Joint Direct Attack Munition] on the B-1 and also to add the RTS, the augmented radar tracking and target location capability. We responded to that request, but it is not certain where that is going to go.

I've been, as of today, in this job just about four months. I'll probably still be climbing the learning curve when I leave at the end of this term. It is clear, after four months in the job that the real major issue is affordability. You already heard the Secretary stress that at lunch.

The C-17, is a marvelous aircraft and will do great things for the Air Mobility Command. The Army likes it very much and they really need it. But, we are looking at a very high price tag. The TSSAM, the tactical Tri-service Stand Off Attack Missile, is an amazing weapon which provides a tremendous capability to our forces, but again, at a very high cost. The list goes on and on.

I had planned initially to describe some of the Air Force programs for you today, but you can read about those in the various publications. It is clear that the real keystone to affordability is what we are doing in acquisition streamlining across a broad range of fronts, so I decided to crank up my courage

and talk about acquisition reform.

I'd like to discuss with you some of the accomplishments to date; what the near and long term initiatives are; touch briefly on the OSD-level initiatives, since I think you've probably seen much in the press about those; but focus more specifically on what we are doing in the Air Force.

I'm certain all of you are skeptical about acquisition reform and understandably so. There was the Packard Commission, the Grace Commission and a long list of very prestigious groups that have addressed this issue with little or no results. So what is different today? The real difference in my view, and why we are going to make substantial progress over the next several years, is our Secretary of Defense, Dr. William Perry. We've never had in the past, I doubt we'll ever have again, a Secretary of Defense who is so dedicated to achieving acquisition reform.

When he first invited me back to the Pentagon, I believe February of 1993 when he was Deputy Secretary of Defense, to discuss whether I would be interested in taking on one of the acquisition executive positions, we spent two hours talking. The whole focus was on moving to commercial systems, commercial practices, and performance-based contracting. Certainly it was his intent then, and I have not seen that diminish any, that the hallmark of his administration is going to be to streamline the acquisition process.

On a number of occasions, he has made it crystal clear to Gil Decker, the Army acquisition executive, Nora Slatkin, Navy acquisition executive and myself in the Air Force, that he is really looking to the three of us to make this happen, to implement this streamlining in the services. In fact, on the day of my swearing in, he met me at the swearing in ceremony, we had a meeting with him after



lunch, and then had dinner together, and on all three occasions, he made it very clear that he wanted the three of us to place acquisition streamlining at the very top of our priority list. All three of us are taking that direction very seriously.

Two weeks ago yesterday, in the Rose Garden, was a very historic moment in acquisition reform when the President signed the Acquisition Streamlining Act of 1994. I was particularly pleased in that ceremony that he recognized Colleen Preston, our Deputy Under Secretary for Acquisition Reform, who has been working nights and weekends to help ensure that we have an effective package and to get that pushed through Congress. Colleen has done a great job in achieving that and the three of us in the services have all tried to give her the best support we could.

As Bill Perry said on Monday, this legislation goes a long way, and it is a necessary but clearly not a sufficient step. It does go a long way toward helping us accomplish our objectives. It certainly falls far short of what we had hoped to achieve, but we'll be going back for another round of legislative change this coming year.

It does, for example, raise the level from \$25,000 to \$100,000 for expenditures that will be basically free of the acquisition encumbrances on programs at that level. It does move toward commercial practices, performance-based contracting, and, it also has five approved pilot programs, four of which are Air Force programs. I'll be discussing those in a few minutes. After the ceremony, the President and Vice President came over to thank Colleen, Gil Decker, Nora and myself for our support. Then we went over to the Old Executive Office Building and signed a pledge for performance-based contracting and service contracts, which is going to be implemented across all of the executive branch.

The other major milestone occurred in June of this year when Dr. Perry held a press conference and issued his directive on specs and standards. This is a very broad and sweeping directive which strongly stresses moving to non-government standards and practices, or to commercial standards and practices. It has a heavy emphasis on performance-based contracting and also eliminates other DoD regulations that add some oversight to the

whole process.

As a part of this initiative, he has asked each of the three service acquisition executives, to set up and select a standards improvement executive to work on accomplishing this objective. I've chosen Jim Bair, who is the leader of all the technical activities at Air Force Materiel Command. General Yates [General Ronald W. Yates] was kind enough to make him available to me for this task. Basically, this directive says that by the end of this year the three service acquisition executives will be the only individuals who will have authority to invoke Milspecs or standards on a program. This is not only for new programs, but also to take a look at ongoing programs.

This gives us a tremendous authority, but with that goes a tremendous responsibility. We are going to proceed very carefully in how we put this in place. If we scrape all the barnacles off the ship, is the ship going to sail smoothly or is it going to sink? We want to move aggressively on what Dr. Perry has directed us to do, but, on the other hand, we are going to really think through very carefully how we transition into this change. Jim Bair is coming in to meet with me next week, and he has been working up the detailed plans. He is working with the four Air Force product centers and the five logistic centers to lay out a plan on how we will implement this directive from Dr. Perry. It certainly is a major step in the right direction.

With this policy of clear accountability and design, we will be looking to move from risk avoidance to risk management. We will be shifting more of the overall responsibility for the program to the defense contractor and looking to him to implement the design.

Turning to more specific actions we have taken in the Air Force, another major initiative is "clear accountability and design." This policy, that we are now implementing, will clearly define what the government or Air Force will be responsible for in the functional performance specifications. The contractor

will be responsible for the design. For example, we will not be invoking configuration management until we arrive at the PCA/FCA point. Having many years in the industry, I know the extensive costs that are added to the contract, as well as government costs, in trying to maintain configuration controls during the design process of the "A"spec, "B"spec, "C"spec. It is a very costly, time consuming process. We intend to eliminate that requirement.

With this policy we will be looking to move from risk avoidance to risk management. We will be shifting more of the overall responsibility for the program to the defense contractor and looking to him to implement the design. We will not continually be telling the people in the defense industry how to do things, but basically, what performance we wish to achieve. We are doing this for two reasons. One is a step in the acquisition streamline. The other is dictated by an almost brutal, very extensive reduction in civilian manpower. We probably will be looking at a 35 to 40 percent reduction in civilian manpower at the product centers and the logistics centers over the next several years. We are clearly going to scale back the size of the program offices. As a result, we will be depending more heavily on industry to carry the ball for us.

Another area that we are focusing on, and that has been debated many times, is the overall requirements process, the coupling of requirements to the acquisition system. At the DOD level, Colleen is setting up a process action team which will probably kick off next week to address that issue. I have recommended and have General Thurman's permission to put General Fain [Lt. Gen. James A. Fain, Jr.] in charge of that effort. As you know, General Fain just joined us this week as the Assistant Vice Chief and if you know General Fain, you'll know that something will be accomplished when he takes charge.

At the Air Force level, we recently had General Joe Ralston [Lt. Gen. Joseph W. Ralston] come on board as the XO, head of operations for the Air Force and General McCloud [Maj. Gen. David J. McCloud] come in as the XOR, the requirements person under General Ralston. These are two really outstanding officers and just excellent people

to work with. You will see an outstanding working relationship between the acquisition side and the operations side over the next several years. What we are going to do is put affordability on the table at the very beginning of the requirement process, making affordability an independent variable. We will address early on whether that extra 10 percent is really needed if it in turn drives the cost up by 20 or 30 percent. We will be looking very carefully at the requirements to ensure they are the absolute minimum threshold requirements needed to accomplish the mission and try from the very beginning to work toward more affordable systems.

One of the really shining examples of how we are accomplishing this is the JAST program. The Joint Advanced Strike Technology program is a joint effort with the Navy to develop some of the fundamental technologies that are going to be needed for the next generation ground attack fighter. General Muellner [Maj. Gen. George K. Muellner] is heading up this effort. For the first two years, General Muellner, an Air Force general, is heading the program and reporting to Nora Slatkin, the Navy acquisition executive. Then approximately a year from now, we will be putting an admiral in charge and he'll be reporting to me. We are really going to try to make this a joint effort.

General Muellner is doing a marvelous job in running the program and is molding an excellent team as he is very good at team building. He has everybody working together. He is working a totally paperless system. All of the RFPs [Request for Proposals] and all of the procurement he's done to date have been on a paperless basis. Most importantly, he is stressing affordability. Every step he is taking, every procurement he has made has been driven by affordability.

We will be looking very carefully at the requirements to ensure they are the absolute minimum threshold requirements needed to accomplish the mission and try from the very beginning to work toward more affordable systems.

Another initiative where we are supporting DoD is the Defense Manufacturing Council. Chaired by Paul Kaminski, with Noel Longuemare, the three service acquisition secretaries are members along with Gary Denman, the head of ARPA [Advanced Research Projects Agency], Anita Jones, the DDR&E [Director, Defense Research & Engineering], and Colleen Preston. What we are focusing on here is how we can make investments in our S&T [science and technology] program to achieve affordable systems. We still want to place heavy emphasis on the 61, 62, 63 [funding categories] investments to provide our warfighters with a technology edge.

The Defense Manufacturing Council will be looking at how we can make investments in the technology which will allow us to achieve more affordable systems, either in the product itself -- making it more affordable -- in the processes, or the design, development and manufacturing of the product. We will also include software as a factor. As you know, embedded software is an ever increasing percentage of the total weapon system cost. Although government and industry have made a lot of progress in software in the last 10 or 15 years, we all agree there is still a long way to go.

In any event, the objective is to look at how we can shift some of our S&T investments into how we build these systems, how we can make them more affordable in production, or in the case of software, in the software design and development process. We have had a manufacturing and technology program for several years now in the Air Force. Unfortunately, it is one of the programs that ends up being earmarked for some automobile production group in Detroit, so we haven't really been able to break out much of those funds. It looks as though we will be able to hang on to a fair amount of those funds for the manufacturing technology program this year and again in FY 96.

The Defense Manufacturing Council is planning a mid-November off-campus session where we will try to put a very heavy focus on coming up with concrete plans to restructure our S&T investment for more affordable systems.

Another major joint initiative with the Navy and industry but led by the Air Force is

the lean aircraft initiative. About 20 members of the defense industry are members of this group. We are working with and utilizing MIT [Massachusetts Institute of Technology], who did a very outstanding job in the lean automobile industry initiative. That project over the past several years led to the book, *The Machine That Changed The World*. We are looking at how we can apply the methodology, some of the research, and some of the approaches that they took to the defense industry to reduce the cost of our systems.

This was co-chaired by Ken Cannestra from Lockheed and General Fain. General Scofield [Lt. Gen. Richard M. Scofield], the new commander of Aeronautical Systems Center, is going to move in as the co-chair with Ken Cannestra. We spent a day at MIT about two weeks ago, and I am very encouraged by the results of that effort. We are immediately going to see how we might apply those results to the C-17, to the TSSAM program and to other major programs.

Another initiative is on dual use technology. Again, this is a DoD-level initiative. As you know, about \$500 million has been allocated to ARPA for the dual use program. The Air Force is currently leading 25 of those ARPA dual use technology programs. A part of this was moving from the limit from \$25,000 up to \$100,000 for minimal regulations. A part of that was moving to what we call electronic data interchange [EDI]. The Air Force is moving to go on-line at 98 contracting locations. By 1 March 1995, we will have 21 of our contracting locations on-line with the electronic data interchange, and we hope to have all of the Air Force locations completed by the end of calendar year 1995.

Of the DoD pilot programs, the Air Force has four of the five programs approved by Congress -- JDAM, the nondevelopmental airlift aircraft [NDAA], the Commercial Derivative Engine and the JPATS program. I might mention an example of one of these, JDAM. This is taking a 2,000-pound dumb bomb and adding GPS [Global Positioning System] and INS [Inertial Navigation System] to achieve a near-precision capability. We have seen some very good results. In the RFP, we were able to reduce the statement of work from 100 pages to 7 pages. There are no military

specs, no military standards, anywhere in this program. We have reduced the contract data requirements list items by 60 percent and we've cut the size of the program office by 50 percent. We are taking what could well have been a \$150,000 system down to something we hope is in the \$30-40,000 range as a result of the steps we are taking on this program.

Dr. Widnall has given me full authority to waive any Air Force Regulation on our programs. We have already taken 37 of the acquisition regulations and reduced them to 13.

On the NDAA, this is the study we are going to be doing as we head toward a Milestone III DAB [Defense Acquisition Board] in November of 1995 concerning the mix between the C-17 and a nondevelopmental airlift aircraft to satisfy the Air Mobility Command requirements. In fact, we are having a special DAB with Dr. Kaminski next week to make sure we clarify which information we need to present to them and what decisions we are going to have to make in November of 1995.

As a part of this, we flew to Scott [AFB, Ill.], and spent a full day with General Fogleman. I was really pleased that in spite of a lot of pressure, from his staff and from the OSD people who were there, to add bells and whistles. He was adamant that clearly this was to be an off-the-shelf commercial aircraft, with no bells and whistles added. I certainly applaud his position, particularly now that he is our new Chief of Staff.

Again, it is an example where the affordability question is being asked and is understood by our key operational commanders.

In respect to Air Force regulations, Dr. Widnall has given me full authority to waive any Air Force Regulation on our programs. The Army said they'll never get that authority and the Navy is still debating it, but Dr. Widnall has given me that authority. We have already taken 37 of the acquisition regulations and reduced them to something like 13. We are now looking at the Air Force Regulations and some of the regulations that are out at

AFMC [Air Force Materiel Command] and at the product centers and the logistics centers.

In addition to the pilot programs, we've picked six "Air Force lead programs," where we will be taking a hard look at how we can streamline these programs, both within the authority that I have and also going to OSD and asking for waivers on some of the DoD regulations. The initial major thrust on this streamlining will be on the new space-based IR system. We are launching into the acquisition strategy for SBIR this week. Basically, we are bringing together the ALARM [Alert Locate and Report Missile] program and the Brilliant Eyes program and combining those with certain classified programs.

Another program where we will be looking for a commercial, very streamlined approach is the one that Dr. Widnall mentioned at lunch today, the evolutionary, Expendable Launch Vehicle. We received Dr. Deutch's approval on Monday afternoon to go forward with this program. Our approach is to lay it out to industry: here's what the Air Force needs; come back and tell us how to make it happen. We are going to do this on as commercial a basis as we possibly can.

My final point is that we can sit there in the Pentagon and write policies and issue directives, but nothing is really going to change unless we change the culture. That is not going to be easy. I gave a talk Monday on acquisition reform to about 500 students at the Defense Management Systems College. At the end, I received some excellent questions, but quite a few of them were asking "Why are you going to be laying off people with all these years of experience?" "Why are you going to be changing this great system we have in place?" This attitude shows it is going to be difficult.

In this regard, the Army has a great initiative which we intend to emulate. They have "road shows" that they've put in place over the last couple of years. They had a Road Show I, where the very top management in acquisition went to all the centers and discussed the plans, the policies, and the priorities on this reform. Then they had Road Show II, a group of 50 O-6s and GS-15s, who went out to each of the centers and gave detailed workshops and case studies. For example, they would

48 **THE AIR FORCE:
TODAY AND
TOMORROW**

have a murder-board where they would take an RFP that was generated by that center and show how it could be simplified, and further streamlined.

We are launching into a similar program. General Yates has given excellent support in helping staff this effort. We will start our Road Show I right after the first of the year. I'll be personally going out to all the development commands and the logistics commands. Then we will follow that with a Road Show II in a month or two later.

Again, Bill Perry's objective is to have so much momentum built up on this acquisition streamlining that by the end of this first term, even if a new administration moves in, the momentum will carry through. With his support and dedication and the really outstanding blessing from Dr. Widnall, I think we can make some substantial changes. I know it has been tried many times before. It has failed many times, but the environment is right for a change. We have the right support in DoD, and also from the President and from Congress, to make substantial changes.

Wherever we can reduce overhead and bureaucracy, that is money we can put into modernization. That is what we are trying to accomplish. Thank you very much.

The Honorable Clark G. Fiester
Assistant Secretary of the Air Force
Acquisition

49

Question and Answer Session

GENERAL HATCH: *Thank you, Mr. Secretary. We have a number of questions as your counterparts in industry have waited for you to take the podium. First, is any consideration being given by the Air Force to buying additional F-16s at \$20 million each?*

MR. FIESTER: That question came from somewhere in Fort Worth? One of the first things I'd worked on when I came into this job was to take a the hard look based on the Bottom-up Review strategy. I had General Dick Hawley [Lt. Gen. Richard E. Hawley], who is my principle deputy, take a hard look at this with the XO [operations] people. They came to the conclusion that assuming our current plans go forward with the F-22, that by 2010 we will have sufficient aircraft in the inventory with the addition of the F-22 to support the strategy of the two major regional conflicts.

Some of these other aircraft will be aging, which is another serious problem for us to address. In fact, this summer the Scientific Advisory Board did an excellent study on this issue and made a number of major recommendations. Recognizing the aging aircraft situation, we are preparing a plan for Dr. Widnall to address that concern. At this point, there is no plan to purchase additional F-15s or F-16s.

GENERAL HATCH: *Thank you, Mr. Secretary. Recent direction was given to merge JAST, a technology program, with the advanced short take off and vertical landing program. What will be the impact of this direction?*

MR. FIESTER: Let me add a footnote to your first question. General Loh [General John M. Loh, Air Combat Command] asked us to take another look at the whole fighter strategy. He wants to see if we can achieve more of a ground attack capability with the

F-22 so we can better, more effectively justify the program. There will be a meeting at Langley [AFB, Va.] in November where we will meet with General Loh to relook at the fighter road map. What I mentioned could change, but as of today, that is the current position.

Turning to the question on JAST, we've been resisting that merger. In our assessment, the program is not in good shape, and we would not like to be burdened with more financial problems than we already have. We would just as soon not have the AVSTOL as a part of JAST, although it is possible we may not be given a choice. It may be directed. As of right now, we are not standing around with open arms trying to merge that program with JAST.

GENERAL HATCH: *Thank you Mr. Secretary. The next question has to do with weapons systems like TSSAM and JPATS, which were mentioned by Dr. Deutch as a potential item under review to save money. What do you think the schedule of those programs will be in the future?*

MR. FIESTER: There has been no final decision at this point. Dr. Deutch has made it very clear, that all programs -- Army, Navy and Air Force -- that were identified in his now famous memo, will be reviewed. The issue is not those programs. The issue is just dollars. Right now we are looking at upwards of a \$40 billion shortfall in the FY 96 POM. Bill Perry and John Deutch are taking the position that \$20 billion of that is owed to them by OMB. That is based upon higher than planned inflation and higher than planned pay increases. They have had discussions with OMB and with the President.

As of Wednesday when I spoke with Paul Kaminski, they have not received a final position from the President on that \$20 billion. There is some reason to feel optimistic, but I

don't know after that letter OMB sent earlier this week. That didn't help any. As of now, Dr. Perry and Dr. Deutch don't know the magnitude of the overall problem in the FY96 POM. It is either \$40 billion, which would be a disaster, or \$20 billion which would not be good, but we could probably live with it. The issue is not these programs, but the struggle over dollars.

This could change over the next few days, but my sense is there will not be any further firming of this issue until after the elections next week. My best assessment is that it will probably take some reduction in the F-22, maybe \$100 to \$200 million, and that we will proceed with the JPATS program with an award early next year. It is possible we may have about a one year slip in the production of the program.

We are facing a tough issue on the TSSAM. Again, it's an issue of affordability. We are looking at something like \$2 million per missile for the Air Force version and about \$2.3 million for the Navy version. It is an outstanding weapon with capabilities against the double digit SAMs [surface-to-air missile]. It is a system we really need, and the Navy really needs, but it is a question of affordability. I'd say it is at best on shaky ground at this point.

GENERAL HATCH: *Thank you for those answers, sir. With regard to the Air Force's acquisition professional development program, how do you assess the program and do you feel it has the right criteria to ensure selection of the next generation of our acquisition leaders? In a similar note, will a standardized training architecture be implemented for that program?*

MR. FIESTER: I need to spend more time on this issue, but in my assessment, Teddy Houston [Program Executive Office, Career Management Program] put together a good program. He just recently went on assignment to the Defense Management College. It seems to be well received and it is giving the right type of training as we move forward on this Acquisition Workforce Improvement Act.

The Air Force is ahead of the other two services and making good progress. I am not quite sure I understand the second question, but if it refers to moving toward computer based training and being able to provide

televideo training around the country, we are moving out very heavily in that direction. We are doing work at both the Pentagon and down in San Antonio at the Armstrong Laboratory that does human systems work. One of the key efforts there is in computer based training, not only in the acquisition workforce but also in many other areas of the Air Force.

We are very fortunate to have a new chief scientist come on board, Ed Fagenbaum, who is the father of artificial intelligence and expert systems. I've asked him to work with our people on how we can bring that type of capability more into our computer based training systems.

GENERAL HATCH: *Thank you, sir. Would the training cover commercial cross use and joint development programs?*

MR. FIESTER: Certainly that is one of the big issues we are facing as we move into this training. It is one thing to say we are going to move to commercial practices and commercial systems, but do our people know how to really address that and how do you work with those tools? Clearly, as a part of this overall program, training must be one of the key steps.

GENERAL HATCH: *The final question for the secretary has to do with depot competition. We've had different direction given both by OSD and from Congress. The most recent trend seems to be interservicing between the services. Could you expand on where you think we are heading with our depot competitions?*

MR. FIESTER: I have some responsibility on the logistics side, but the overall responsibility with respect to any program at a depot is the depot commander, like General Curtis [Maj. Gen. Lewis E. Curtis, III] in San Antonio. On those issues, he wears a hat which is called a designated acquisition commander where he is responsible to me. But, the routine sustainment at the depots falls under General Nowak [Lt. Gen. John M. Nowak], who is Deputy Chief of Staff for Logistics. General Nowak is much more qualified than I am to answer this question.

Dr. Deutch took the position that there was no way to establish a level playing field for either depot-to-depot competition or depot-to-private competition. Unfortunately, a number of you may be aware of the Coopers

and Lybrand audit of two cases where the Air Forces had won competitively against private industry. One case at Warner-Robins [Air Logistics Center, Ga.] and one at Hill Air Force Base [Utah]. Those audits clearly show that the depots were not properly allocating all of the cost that should have been placed against that particular program. There are steps being taken to correct that, but it reinforced the position that Dr. Deutch had taken concerning the level playing field. His direction, which we are now following, is that there will be no more of these competitions. Congress has other views on this. Congress has very strong views on keeping the depots alive and well. I am not quite sure just what the end result of that is going to be. As of today, we are following Dr. Deutch's direction.

GENERAL HATCH: *Thank you very much Mr. Secretary. We all know there are no easy issues in the acquisition business. You've given us some very frank discussion on the most difficult ones and we appreciate it. Thank you for being with us today and we look forward to seeing a lot more of you in the future.*

Our next Air Warfare Symposium will be in Orlando on February 23 and 24, 1995. General Mike Loh will be the co-host. He and other senior Air Force leaders will bring you up to date on warfare requirements and programs. You are all invited to attend.

Again, on behalf of our President, Gene Smith, and the entire Air Force Association, our thanks to our speakers for their outstanding work and to all of you for being with us.

52 **THE AIR FORCE:
TODAY AND
TOMORROW**



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